

Melbourne-Tillman Water Control District



Agenda

Melbourne-Tillman Water Control District

MEETING OF THE BOARD OF DIRECTORS

TUESDAY, APRIL 25, 2023

9:00 AM



Call to Order

Phil Weinberg, President

Pledge of Allegiance

Phil Weinberg, President

Roll Call

Lisa Blackett

Board Members:

Joseph Hale (Palm Bay September 30, 2025)

Brant Hoffman (Brevard County September 30, 2025)

Keith Jerdon, (West Melbourne September 30, 2024)

Don Jordan, (Palm Bay September 30, 2023)

Drew Powshok (Brevard County September 30, 2025)

Philip Weinberg, (Palm Bay September 30, 2024)

Jay Woltering (Brevard County September 30, 2025)

Staff & Support:

Rick Nipper, District Manager

Lisa Blackett, Assistant Manager/Administration, Secretary/Treasurer

Jim Beadle, District Attorney

Recognition of Guests and Staff

Bo Rainbolt, Assistant Manager/ Operations

Mike McCabe, District Engineer

Lindsay Aviles, Carr, Riggs & Ingram

Katie Jordan, Resident

Robert Bane, Young's Communications for Spectrum Sunshine State

Announcements

Bo Rainbolt celebrated his 10th year with the District on April 21, 2023

Public Comments

Melbourne-Tillman Water Control District

MEETING OF THE BOARD OF DIRECTORS

TUESDAY, APRIL 25, 2023

9:00 AM

Presentations

Lindsay Aviles, Carr, Riggs & Ingram will present the District's 2022 Audit Communication Letter (Attachment 1), Comparative Statement (Attachment 2) and Audited Financial Statements (Attachment 3). *The printed, bound copies will be provided at the meeting.*

Katie Jordan, Temporary Access (Attachment 4)

Spectrum Enterprises, Parallel Use (Attachment 5)

Budget

FY 2022/2023 Budget Adjustment request:

- Board Consideration to approve the replacement of the District's Site II Office Building roof and to approve transfer of \$14,489 from (#5630001) Improvements other than Buildings to (#5460000) Repair & Maintenance Services for the cost.

FY 2023/2024 Budget:

- Board consideration to continue the previously approved 3% pay adjustment to employees for the Florida Retirement System employee contribution for the FY 2023/2024.
- The District's Budget for FY 2023/2024 is presented with an 4.6% increase in the commercial classification which will bring the Residential, the Agricultural and the Commercial classifications to their Legislative cap. The overall user fee increase is 1.57% for FY 2023/2024.

The Current User Fee classifications:

- | | |
|----------------|-------------------------------------|
| • Residential | \$25.00 per acre or portion thereof |
| • Agricultural | \$ 8.50 per acre or portion thereof |
| • Commercial | \$50.19 per acre or portion thereof |

The Proposed User Fee classifications:

- | | |
|----------------|-------------------------------------|
| • Residential | \$25.00 per acre or portion thereof |
| • Agricultural | \$ 8.50 per acre or portion thereof |
| • Commercial | \$52.50 per acre or portion thereof |

The proposed 2023/2024 budget includes District Staff to remain at 20 employees, Capital purchases include the Slope Mower (\$226,000) deferred from last fiscal year and the purchase of a Bobcat loader (\$98,000) to replace the District's 2009 Bobcat loader. (Attachment 6)

Regular Business

- Approval of the February 28, 2023 minutes of the MTWCD Board of Director's Meeting (Attachment 7)
- Approval of the Operating Statement through March 31, 2023 (Attachment 8)

Melbourne-Tillman Water Control District

MEETING OF THE BOARD OF DIRECTORS

TUESDAY, APRIL 25, 2023

9:00 AM

Old Business

- Revisions to Permit Policy, Section IV Policy Concerning the District's Permitting Criteria, 6) Use of Right-of-Way as Temporary Access to authorize the District Manager emergency approval for right of way use. (Attachment 9)

Staff Reports

- District Manager's Report, Rick Nipper
 - Right of Way Trespass Update
- Engineer's Report, Mike McCabe
 - Permit Updates
 - SOIRL Updates
- Assistant Manager, Operations Report, Bo Rainbolt
 - Field Operations
- Attorney's Report, Jim Beadle
- Secretary/Treasurer's Report, Lisa Blackett
 - FEMA Update
 - Budget Amendment for fiscal year 2022/2023
 - Budget hearing for fiscal year 2023/2024

Closing

- Meeting Schedule – The next Board Meeting is scheduled for Thursday, June 28, 2022 at 9:00 am in the City of West Melbourne Council Chambers.
- Board Member Reports
 - Joe Hale*
 - Brandt Hoffman*
 - Keith Jerdon*
 - Don Jordan*
 - Drew Powshok*
 - Phillip Weinberg*
 - Jay Woltering*
- Adjourn

Pursuant to Section 286-0105, FSS, if an individual decides to appeal any decision made by the Melbourne-Tillman Water Control District Board of Directors with respect to any matter considered at this meeting, a verbatim transcript of the proceedings may be required and the individual will need to ensure that a verbatim transcript of the proceedings is made, In accordance with the Americans with Disabilities Act and Section 286.26, FSS, persons needing special accommodations for this meeting shall within reasonable time, prior to this meeting, contact the Office of the Secretary to the Board of Directors, (321)-723-7233.

Attachment

1



Required Communications



Carr, Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, Florida 32940

321.255.0088
386.336.4189 (fax)
CRlcpa.com

April 12, 2023

To the Board of Directors
Melbourne-Tillman Water Control District, Florida

We are pleased to present the results of our audit of the financial statements of Melbourne-Tillman Water Control District (the "District"), a dependent special District of Brevard County, Florida, for the year ended September 30, 2022.

This report to the Board of Directors summarizes our audit, the reports issued and various analyses and observations related to the District's accounting and reporting. The document also contains the communications required by our professional standards.

Our audit was designed, primarily, to express an opinion on the District's basic financial statements for the year ended September 30, 2022. We considered the District's current and emerging needs, along with an assessment of risks that could materially affect the financial statements, and aligned our audit procedures accordingly. We conducted the audit with the objectivity and independence that you, the Board of Directors, expect. We received the full support and assistance of District personnel.

At Carr, Riggs & Ingram, LLC (CRI), we are continually evaluating the quality of our professionals' work in order to deliver audit services of the highest quality that will meet or exceed your expectations. We encourage you to provide any feedback you believe is appropriate to ensure that we do not overlook a single detail as it relates to the quality of our services.

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

We appreciate this opportunity to work with you. If you have any questions or comments, please contact me at 321-255-0088 or laviles@cricpa.com.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Lindsay J. Aviles'.

Lindsay J. Aviles, CPA
Partner
Carr, Riggs & Ingram, LLC

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



As discussed with management during our planning process, our audit plan represented an approach responsive to the assessment of risk for the District. Specifically, we planned and performed our audit to:

- Perform audit services, as required by Section 218.39 of the Florida Statutes, in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards* and Chapter 10.550 of the Rules of the Florida Auditor General, in order to express an opinion on the District's basic financial statements for the year ended September 30, 2022;
- 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*;
- Communicate directly with the Board of Directors and management regarding the results of our procedures;
- Address with the Board of Directors and management any accounting and financial reporting issues;
- Anticipate and respond to concerns of the Board of Directors and management; and
- Other audit-related projects as they arise and upon request.

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



We have audited the financial statements of Melbourne-Tillman Water Control District, Florida for the year ended September 30, 2022, and have issued our report thereon dated April 12, 2023. Professional standards also require that we communicate to you the following information related to our audit:

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
<p>Auditors' responsibility under Generally Accepted Auditing Standards, <i>Government Auditing Standards</i> and Chapter 10.550, Rules of the Florida Auditor General</p>	<p>As stated in our engagement letter dated November 29, 2022, our responsibility, as described by professional standards, is to express an opinion about whether the basic financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP) and to report on the fairness of supplementary information as described in the engagement letter when considered in relation to the financial statements as a whole. Our audit of the financial statements does not relieve you or management of your responsibilities.</p> <p>As part of our audit, we considered the internal control of the District. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.</p>
<p>Client's responsibility</p>	<p>Management, with oversight from those charged with governance, is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with the applicable framework. Management, with oversight from those charged with governance, is responsible for the design and implementation of programs and controls to prevent and detect fraud.</p> <p>Management is responsible for overseeing nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.</p>

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
<p>Planned scope and timing of the audit</p>	<p>Our initial audit plan was not significantly altered during our fieldwork.</p>
<p>Management judgments and accounting estimates <i>The process used by management in forming particularly sensitive accounting estimates and the basis for the auditors' conclusion regarding the reasonableness of those estimates.</i></p>	<p>Please see the following section titled "Accounting Policies, Judgments and Sensitive Estimates and CRI Comments on Quality."</p>
<p>Potential effect on the financial statements of any significant risks and exposures <i>Major risks and exposures facing the District and how they are disclosed.</i></p>	<p>No such risks or exposures were noted.</p>
<p>Significant accounting policies, including critical accounting policies and alternative treatments within generally accepted accounting principles and the auditors' judgment about the quality of accounting principles</p> <ul style="list-style-type: none"> • <i>The initial selection of and changes in significant accounting policies or their application; methods used to account for significant unusual transactions; and effect of significant policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</i> • <i>The auditor should also discuss the auditors' judgment about the quality, not just the acceptability, of the Company's accounting policies as applied in its financial reporting. The discussion should include such matters as consistency of accounting policies and their application, and clarity and completeness of the financial statements, including disclosures. Critical accounting policies and practices applied by the Company in its financial statements and our assessment of management's disclosures regarding such policies and practices (including any significant modifications to such disclosures proposed by us but rejected by management), the reasons why certain policies and practices are or are not considered critical, and how current and anticipated future events impact those determinations;</i> • <i>Alternative treatments within GAAP for accounting policies and practices related to material items, including recognition, measurement, presentation and disclosure alternatives, that have been discussed with client management during the current audit period, the</i> 	<p>Significant accounting policies are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2022.</p> <p>We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.</p> <p>The disclosures in the District's financial statements are neutral, consistent, and clear.</p> <p>Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:</p> <ul style="list-style-type: none"> • The disclosure of pension retirement plans in Note 3 to the financial statements since this represents a future liability to the District. • The disclosure of Post-Employment Benefit Obligations in Note 4 to the financial statements since this represents a future liability to the District.

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
<p><i>ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the auditor; Furthermore, if the accounting policy selected by management is not the policy preferred by us, discuss the reasons why management selected that policy, the policy preferred by us, and the reason we preferred the other policy.</i></p>	
<p>Significant difficulties encountered in the audit <i>Any significant difficulties, for example, unreasonable logistical constraints or lack of cooperation by management.</i></p>	<p>We encountered no significant difficulties in dealing with management in performing and completing our audit.</p>
<p>Disagreements with management <i>Disagreements, whether or not subsequently resolved, about matters significant to the financial statements or auditors' report. This does not include those that came about based on incomplete facts or preliminary information.</i></p>	<p>We are pleased to report that no such disagreements arose during the course of our audit.</p>
<p>Other findings or issues <i>Matters significant to oversight of the financial reporting practices by those charged with governance. For example, an entity's failure to obtain the necessary type of audit, such as one under Government Auditing Standards, in addition to GAAS.</i></p>	<p>None noted.</p>
<p>Matters arising from the audit that were discussed with, or the subject of correspondence with, management <i>Conditions that might affect risk or discussions regarding accounting practices or application of auditing standards.</i></p>	<p>None noted.</p>
<p>Corrected and uncorrected misstatements <i>All significant audit adjustments arising from the audit, whether or not recorded by the District, that could individually or in the aggregate have a significant effect on the financial statements. We should also inform the Commission about uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented, that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Any internal control deficiencies that could have prevented the misstatements.</i></p>	<p>See "Summary of Audit Adjustments" section.</p>

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
<p>Major issues discussed with management prior to retention</p> <p><i>Any major accounting, auditing or reporting issues discussed with management in connection with our initial or recurring retention.</i></p>	<p>Discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.</p>
<p>Consultations with other accountants</p> <p><i>When management has consulted with other accountants about significant accounting or auditing matters.</i></p>	<p>To our knowledge, there were no such consultations with other accountants.</p>
<p>Written representations</p> <p><i>A description of the written representations the auditor requested (or a copy of the representation letter).</i></p>	<p>See "Management Representation Letter" section.</p>
<p>Internal control deficiencies</p> <p><i>Any significant deficiencies or material weaknesses in the design or operation of internal control that came to the auditors' attention during the audit.</i></p>	<p>See "Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards." See also the "Independent Auditors' Management Letter."</p>
<p>Fraud and illegal acts</p> <p><i>Fraud involving senior management or those responsible for internal controls, or causing a material misstatement of the financial statements, where the auditor determines there is evidence that such fraud may exist. Any illegal acts coming to the auditors' attention involving senior management and any other illegal acts, unless clearly inconsequential.</i></p>	<p>We are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements.</p>

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
<p>Other information in documents containing audited financial statements <i>The external auditors' responsibility for information in a document containing audited financial statements, as well as any procedures performed and the results.</i></p>	<p>Our responsibility related to documents (including annual reports, websites, etc.) containing the financial statements is to read the other information to consider whether:</p> <ul style="list-style-type: none"> • Such information is materially inconsistent with the financial statements; and • We believe such information represents a material misstatement of fact. <p>We have not been provided any such items to date and are unaware of any other documents that contain the audited financial statements.</p>
<p>Significant unusual accounting transactions <i>Auditor communication with governance to include auditors' views on policies and practices management used, as well as the auditors' understanding of the business purpose.</i></p>	<p>No significant unusual accounting transactions were noted during the year.</p>
<p>Required Supplementary Information <i>The auditors' responsibility for required supplementary information accompanying the financial statements, as well as any procedures performed and the results.</i></p>	<p>We applied certain limited procedures to the required supplementary information (RSI) that supplements the financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.</p>

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



We are required to communicate our judgments about the quality, not just the acceptability, of the District's accounting principles as applied in its financial reporting. We are also required to communicate critical accounting policies and sensitive accounting estimates. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The Board of Directors may wish to monitor throughout the year the process used to compute and record these accounting estimates. The table below summarizes our communications regarding these matters.

AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	COMMENTS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Investments	<p>Except as noted below, the District reports their investments at fair value. Certain external investment pools meeting criteria set forth in the accounting standards may be reported at amortized cost.</p> <p>The District follows the provisions of Section 150: <i>Investments</i>, of the GASB Codification when reporting investments.</p>	X	The District relies information from investment pool sponsors based on financial market information.	The District's policies are in accordance with all applicable accounting guidelines and GASB.

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	AUDITORS' CONCLUSIONS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Depreciation of Capital Assets	<p>Based on the audit procedures we performed with respect to the District's capital assets, we noted that the District estimates the useful lives of capital assets in accordance with all applicable standards and guidelines of GASB.</p> <p>The District follows the provisions of Section 1400: <i>Reporting Capital Assets</i>, of the GASB Codification when reporting depreciation of its capital assets.</p>	X	Management's estimate of the useful lives of capital assets is based on the historical lives of similar assets and market prices.	The District's recognition methods and disclosures appear appropriate.
Compensated Absences	District policy is to permit full-time employees to accumulate earned but unused vacation and sick pay benefits. Full-time employees will only be allowed to carry forward a maximum of 300 hours of vacation and 960 hours of sick from year to year. If an employee resigns in good standing, they are paid half of any unused sick pay. All vacation and half of sick pay is accrued when incurred in the financial statements.	X	Management's estimate of the compensated absences liability is based on compensation rates and employment assumptions developed by management.	The District's policies are in accordance with all applicable accounting guidelines and GASB.

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	AUDITORS' CONCLUSIONS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Other Post-Employment Benefits (OPEB)	<p>Based on the audit procedures we performed with respect to the District's OPEB Plan, we noted that it appears the District accounts for its OPEB liability and related costs in accordance with all applicable standards and guidelines of GASB.</p> <p>The District follows the provisions of Section P52: <i>Postemployment Benefits Other Than Pensions – Employer Reporting</i>, of the GASB Codification when reporting its OPEB liability and related costs.</p>	X	Management's estimate of the other postemployment benefit liability is based on healthcare costs and employment assumptions developed by management. A third party actuary utilized these assumptions to calculate the year-end liability.	The District is following the requirements of GASB 75 and has noted in Note 4, that the liability of the District may vary. We evaluated the key factors and assumptions in determining they are reasonable in relation to the financial statements taken as a whole.

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments
on Quality



AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	AUDITORS' CONCLUSIONS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Net Pension Liability	<p>Based on the audit procedures we performed with respect to the District's FRS, we noted that the District uses an actuary to determine the pension obligation in accordance with all applicable standards and guidelines of GASB.</p> <p>The District follows the provisions of Section P20: <i>Reporting Liabilities</i>, of the GASB Codification when reporting pension liabilities.</p>	X	<p>The estimate of current pension expense and future net pension obligation are based on actuarially determined factors. The actuary estimates certain future conditions in their conclusions. These estimates include factors such as market performance and life expectancy. Actual results may differ from projections.</p>	<p>The District is following the requirements of GASB 68 and has noted in Note 3, that the liability of the District may vary. We evaluated the key factors and assumptions in determining they are reasonable in relation to the financial statements taken as a whole.</p>



During the course of our audit, we accumulate differences between amounts recorded by the District and amounts that we believe are required to be recorded under GAAP reporting guidelines. Those adjustments are either recorded (corrected) by the District or passed (uncorrected). Uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even if, in the auditors' judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

There were no adjustments, either corrected or uncorrected, as a result of our audit procedures.

QUALITATIVE MATERIALITY CONSIDERATIONS

In evaluating the materiality of audit differences when they do arise, we consider both quantitative and qualitative factors, for example:

- Whether the difference arises from an item capable of precise measurement or whether it arises from an estimate, and, if so, the degree of imprecision inherent in the estimate.
- Whether the difference masks a change in earnings or other trends.
- Whether the difference changes a net decrease in assets to addition, or vice versa.
- Whether the difference concerns an area of the District's operating environment that has been identified as playing a significant role in the District's operations or viability.
- Whether the difference affects compliance with regulatory requirements.
- Whether the difference has the effect of increasing management's compensation – for example, by satisfying requirements for the award of bonuses or other forms of incentive compensation.
- Whether the difference involves concealment of an unlawful transaction.



April 12, 2023

Carr Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, FL 32940

This representation letter is provided in connection with your audit of the basic financial statements of Melbourne Tillman Water Control District (the "District"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the basic financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of April 12, 2023, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated November 29, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and consist of only the one enterprise fund in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.



- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) We are not aware of any pending or threatened litigation, claims or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims or assessments.
- 9) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 10) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters and all audit or relevant monitoring reports, if any, received from funding sources.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the District or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13) We have no knowledge of any fraud or suspected fraud that affects the District and involves—
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.
- 15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 16) There are no known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 17) We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware.



Government-specific

- 18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 19) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
- 20) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
- 21) There were no instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe would or will have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 22) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 23) As part of your audit, you assisted with preparation of the financial statements and related notes, preparation of the fixed asset depreciation schedule and preparation of the GASB 68 and GASB 75 entries related to the Florida Retirement System (FRS) and OPEB. You also provided QuickBooks training services as needed. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, Debbie Leclair, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes, and for the fixed asset depreciation schedule and the GASB 68 and GASB 75 entries related to the FRS and OPEB.
- 24) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 25) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 26) There are no component units, majority equity interests in legally separate organizations and joint ventures with an equity interest that would be required to be disclosed in the financial statements.
- 27) The financial statements properly classify all funds and activities in accordance with GASBS No. 34, as amended.
- 28) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.



- 29) Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.
- 30) Provisions for uncollectible receivables have been properly identified and recorded.
- 31) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 32) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 33) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 34) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 35) With respect to the Additional Information Required By Rules of the Auditor General 10.554(1)(i) 6-8:
 - a) We acknowledge our responsibility for presenting the Additional Information Required By Rules of the Auditor General 10.554(1)(i) 6-8 in accordance with accounting principles generally accepted in the United States of America, and we believe the Additional Information Required By Rules of the Auditor General 10.554(1)(i) 6-8, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America.
- 36) The District is in compliance with Florida Statute 218.415, *Local Government Investment Policies*, in all respects.
 - a) We are responsible for establishing and maintaining effective internal control over compliance.
 - b) We have performed an evaluation of the District's compliance with Florida Statute 218.415, *Local Government Investment Policies*.
 - c) All relevant matters are reflected in the measurement or evaluation of District's compliance with the specified requirements.
 - d) We are responsible for selecting the specified requirements and for determining that the specified requirements are appropriate for our purposes.
 - e) We have provided you with all relevant information and access to information and personnel in connection with your examination of compliance with Florida Statute 218.415, *Local Government Investment Policies*.
 - f) We have disclosed to you all known matters that may contradict District's compliance with the specified requirements and we have disclosed to you all communications from

Management Representation Letter



regulatory agencies, internal auditors, other independent accountants or consultants, and others regarding possible noncompliance with Florida Statute 218.415, *Local Government Investment Policies*, including communications received between September 30, 2022 and the date of the examination report.

- g) We have responded fully to all inquiries made to us by you during the engagement.
- h) Our interpretation of the Florida Statute 218.415, *Local Government Investment Policies*, is as follows: As the District has elected to invest surplus funds in compliance with Section 218.514(17) of the Florida Statutes, the provision of section 218.415(14) requiring a minimum number of hours of completion of continuing professional education does not apply.

Signature: _____ Signature: _____

Title: District Manager Title: Assistant Manager / Administrative
Operations Secretary / Treasurer to the Board of
Directors

Attachment

2



Carr, Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, Florida 32940

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INDEPENDENT AUDITORS' REPORT ON COMPARATIVE INFORMATION

Board of Directors
Melbourne-Tillman Water Control District

We have audited the basic financial statements of Melbourne-Tillman Water Control District, Florida (the "District"), as of September 30, 2022 and 2021 and for the years then ended, and our report thereon dated April 12, 2023, which expressed an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The Comparative Statements of Net Position and the Comparative Statements of Revenue, Expenses and Changes in Net Position are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Comparative Statements of Net Position and Comparative Statements of Revenues, Expenses and Changes in Net Position are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Comparative Statements of Net Position and Comparative Statements of Revenues, Expenses and Changes in Net Position are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
April 12, 2023

Melbourne-Tillman Water Control District Comparative Statements of Net Position



September 30,	2022	2021	\$ Change	% Change
ASSETS				
Current assets				
Cash and cash equivalents	\$ 184,510	\$ 19,230	\$ 165,280	859.49%
Investments, current	2,947,979	2,122,992	824,987	38.86%
Due from other governments, net	461,549	764,526	(302,977)	-39.63%
Inventories	39,736	21,044	18,692	88.82%
Total current assets	3,633,774	2,927,792	705,982	24.11%
Noncurrent assets				
Investments, noncurrent	747,801	731,179	16,622	2.27%
Property and equipment, at cost less accumulated depreciation	827,980	1,302,307	(474,327)	-36.42%
Total noncurrent assets	1,575,781	2,033,486	(457,705)	-22.51%
Total assets	5,209,555	4,961,278	248,277	5.00%
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow - other post-employment benefits	26,418	28,213	(1,795)	-6.36%
Deferred outflow - pension	288,279	261,895	26,384	10.07%
Total deferred outflows of resources	314,697	290,108	24,589	10.07%
LIABILITIES				
Current liabilities				
Accounts payable	35,350	27,785	7,565	27.23%
Accrued wages payable	50,269	47,127	3,142	6.67%
Accrued compensated absences	155,199	125,028	30,171	24.13%
Total current liabilities	240,818	199,940	40,878	20.45%
Noncurrent liabilities				
Net other post-employment benefit liability	80,451	94,336	(13,885)	-14.72%
Net pension liability	1,141,219	512,709	628,510	122.59%
Total noncurrent liabilities	1,221,670	607,045	614,625	101.25%
Total liabilities	1,462,488	806,985	655,503	81.23%
DEFERRED INFLOWS OF RESOURCES				
Deferred inflow - pension	147,463	753,162	(605,699)	-80.42%
Total deferred inflows of resources	147,463	753,162	(605,699)	-80.42%
NET POSITION				
Invested in capital assets	827,980	1,302,307	(474,327)	-36.42%
Unrestricted	3,086,321	2,388,932	697,389	29.19%
Total net position	\$ 3,914,301	\$ 3,691,239	\$ 223,062	6.04%

See Independent Auditors' Report on Comparative Information.



Melbourne-Tillman Water Control District
Comparative Statements of Revenues, Expenses and Changes in Net Position

For the years ended September 30,	2022	2021	\$ Change	% Change
Operating Revenues				
User fees	\$ 2,222,956	\$ 2,238,899	\$ (15,943)	-0.71%
Permit fees	291,795	140,630	151,165	107.49%
Total operating revenues	2,514,751	2,379,529	135,222	5.68%
Operating Expenses				
Wages and benefits	1,515,631	1,279,059	236,572	18.50%
Material and supplies	366,416	215,393	151,023	70.12%
Depreciation expense	470,565	492,723	(22,158)	-4.50%
Repairs, maintenance and other expenses	329,734	335,279	(5,545)	-1.65%
Total operating expenses	2,682,346	2,322,454	359,892	15.50%
Operating Income (Loss)	(167,595)	57,075	(224,670)	-393.64%
Non-operating Revenues				
Interest income	47,199	17,174	30,025	174.83%
Other income	132,683	-	132,683	100.00%
Grant revenue	-	764,526	(764,526)	-100.00%
Gain on disposal of fixed assets	210,775	83,551	127,224	152.27%
Total non-operating revenues	390,657	865,251	(474,594)	-54.85%
Changes in net position	223,062	922,326	(699,264)	-75.82%
Net position, beginning of year	3,691,239	2,768,913	922,326	33.31%
Net position, end of year	\$ 3,914,301	\$ 3,691,239	\$ 223,062	6.04%

See Independent Auditors' Report on Comparative Information.

Attachment

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**Melbourne-Tillman
Water Control District**

FINANCIAL STATEMENTS

Year Ended September 30, 2022



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**Melbourne-Tillman Water Control District
Board of Directors
As of September 30, 2022**

President

Philip Weinberg

Vice President

Joseph N. Hale

Other Directors

Eric Blount

Drew Powshok

Don Jordan

Keith Jerdon

John Woltering

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Melbourne-Tillman Water Control District

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of Melbourne-Tillman Water Control District (the "District"), a dependent special district of Brevard County, Florida, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the of the Melbourne-Tillman Water Control District, a dependent special district of Brevard County, Florida, as of September 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the required supplementary information, as noted in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 12, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida

April 12, 2023

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Melbourne-Tillman Water Control District Management's Discussion and Analysis September 30, 2022

The Melbourne Tillman Water Control District, a dependent special district of Brevard County, operates as an enterprise fund. A discussion of the District's financial performance for the year ending September 30, 2022 can be best understood given a brief background of the District.

History

The Melbourne-Tillman Water Control District is a dependent water control district of Brevard County reorganized in 1986 from its initial authorization as an independent district by the Florida Legislature in 1922. The District contains 100.8 square miles within its boundaries, approximately 64,500 acres. It is located in southern Brevard County and includes portions of the City of Palm Bay and the City of West Melbourne.

The District was initiated in the summer of 1921 through the presentation of a petition to the Circuit Court of Brevard County. This petition was for land reclamation for agricultural development and was signed by the required majority of landowners, by acreage, within the proposed boundaries of the District. After proper legal advertisement, a Decree was issued January 7, 1922 organizing and establishing the Melbourne-Tillman Drainage District under Chapter 6458, Laws of Florida, Acts of 1913. The proposed plan called for a network of canals that would, in conjunction with a western levee separating surface flows from the St. Johns River, divert runoff eastward to Turkey Creek. Construction of the approved canal and levee system began in November of 1922.

Construction of the canals and levee system continued through 1928 when operations ceased due to funding difficulties. Work was estimated to be 85 percent complete and did not include the outfall dam. Throughout the following decades the District persevered and was reorganized in 1986 as a dependent district of Brevard County under Chapter 86-418, Florida Statutes and later codified under its current authorization as Chapter 2001-336, Laws of Florida, as amended by Chapter 2003-334, Chapter 2010-235, and Chapter 2019-175, Laws of Florida.

Today, the District successfully operates and maintains seventy-five canals, totaling over 163 miles, and a major water control structure. The primary canal serving the District, Canal C-1, traverses the District from the western levee, east to the primary water control structure at the outfall to Turkey Creek, a distance of approximately 9 miles.

Legislative Authority

The District operates under the authority of Chapter 2001-336, Laws of Florida, as amended by Chapter 2003-334, Chapter 2010-235, and Chapter 2019-175, Laws of Florida. In 1986, the Florida Legislature "declared and determined ... that a special district ... would be the most responsive, efficient, and effective local government entity to secure, operate, and maintain an adequate, dependable surface water management system ...". The Legislature created and incorporated the Melbourne-Tillman Water Control District as a dependent special district for the purpose of constructing, reconstructing and repairing, maintaining, and operating a surface water management system, previously managed by an independent district of the same name created pursuant to Chapter 298, Florida Statutes.

Melbourne-Tillman Water Control District Management's Discussion and Analysis September 30, 2022

The District is governed by a seven (7) member Board appointed by the City of Palm Bay (3 members), Brevard County (3 members), and the City of West Melbourne (1 member). The singular qualification is that members must reside within District boundaries for the tenure of their service. The Board of Directors has the power to establish a water management system to prevent damage from flooding, soil erosion, and excessive drainage; to promote the conservation, development, and proper utilization of surface and ground water; to preserve natural resources, fish, and wildlife; maintain water quality; and to preserve and protect natural systems within and surrounding the District.

The Board may authorize the cleaning, straightening, widening or the change of course or flow, alter or deepen any canal, ditch, drain, watercourse or natural stream within the District boundaries. The building and construction of other works and improvements to preserve and maintain the works of the District are also authorized.

Funding

As a dependent district, the Board of Directors adopts a tentative annual operating budget for each fiscal year, to be approved by the Board of County Commissioners as an Enterprise Fund under the County's budget process.

District revenues consist of Operating Revenues (User Fee Charges for Services, Interest Income and Permit Fees) and Non-Operating Revenues (Balance Forward from Reserves for Operating and Capital). The User Fee Charges for Services, a non-ad valorem fee based on the County's assessment of property size and use, represents the largest component of the District's revenues, generally 90 to 95 percent.

Basic Financial Statements: This and Past Fiscal Years

The most recent fiscal year, 2022, concluded with operations within the approved budget limitations; similar to the performance of the previous year, 2021.

Assets

As of September 30, 2022, the District's total assets include cash, investments, due from other governments, inventories, and property and equipment. Total assets increased from \$4,961k in 2021 to \$5,210k in 2022, an increase of \$249k, due mainly to an \$842K increase in investments, \$165k increase in cash and cash equivalents and \$19k increase in inventories, offset by a \$303K decrease in due from other governments as a result of grant revenues received from the Federal Emergency Management Agency and a decrease in property and equipment of \$474k as a result of depreciation of \$471k offset by approximately \$65k in asset additions and \$68k net book value in disposals.

Melbourne-Tillman Water Control District Management's Discussion and Analysis September 30, 2022

Liabilities

As of September 30, 2022, total liabilities of approximately \$1,463k include accounts payable, wages and benefits payable, accrued compensated absences, post-employment benefit obligations, and pension liability. Total liabilities increased approximately \$656k from 2021 to 2022, due to an increase of \$41k in current liabilities, as well as an increase of \$629k in net pension liability offset by a \$14K decrease in post-employment benefit obligations.

Revenues

The District's total operating revenues for 2022 remained relatively the same as 2021, with \$2,515k received in revenue compared with \$2,380k received in 2021. The District also recorded grant revenue of \$133k in other income from a cost-share local funding agreement with Brevard County, as well as a gain on disposal of assets of \$211k that was not budgeted.

Program Expenses

The District's expenses are divided into four areas: wages and benefits; material and supplies; depreciation expense; repairs, maintenance and other expenses.

Wages and benefits cover salaries and benefits for the District's budgeted staff of twenty. These costs increased \$237k from 2021 to 2022. Total wages and benefits expenditures in 2022 were \$1,516k compared with \$1,279k in 2021. The increase in 2022 was due to the annual required adjustments for the Florida Retirement System liability and for the other post-employment benefit obligations liability.

Material and supplies expense increased from \$215k to \$366k from 2021 to 2022, and includes primarily aquatic herbicide, parts for in-house repairs, fuels, tax assessment and tax collection fees, and transfer expenses. The increase was due to higher costs in Fuel, Gas & Oil and increased materials costs in Aquatics.

Repair and maintenance expenses include vehicle and equipment repair, facility and canal maintenance, repair and supply, and general insurance. Other expenses include communications, utilities, travel, training, professional services and administrative requirements. Total repair, maintenance and other expenses decreased from \$335k in 2021 to \$330k in 2022. The decrease is mainly due to a decrease in maintenance services.

Overall Financial Position

The District's net position increased by \$223k due mostly to the \$133k in other income as well as the \$211k gain on disposal of assets mentioned previously, and was offset by the \$168k net operating loss. As of September 30, 2022, the District has an unrestricted net position of \$3,086k and \$828k invested in capital assets.

The overall financial position of the District is good. No significant change is anticipated.

**Melbourne-Tillman Water Control District
Management's Discussion and Analysis
September 30, 2022**

Significant Capital Assets and Long-Term Debt Activity

The District's capital assets in 2022 increased slightly through repairs and replacement of aged equipment. The District's planned purchase of assets was lower than expected due to delayed vendor production and delivery issues. Purchases included six 12' x 20' hoses (\$15k) for the District's pumps, a Pemberton Aquatic bucket (\$8k) for the 2011 Linkbelt 210X2LF long-reach excavator, and a Liftmore pedestal mounted crane (\$5k) for the 2022 Ford F-350 flatbed truck, which is due to be purchased in FY 2023. A Dell Optiplex Computer was replaced (\$6k) and a Northstar pressure washer was replaced (\$1k). The District shop's roof was repaired and 2 vents were added in the North wall for better ventilation (\$12k). Repairs were made to equipment, including the 2012 Freightliner 10/12 yard dump truck's air compressor replacement (\$3k) and 2018 International LT625 semi-truck's emissions repair (\$2k). All four spindles were rebuilt on the 2012 LandPride DH 3510 disc harrow (\$3k). The 2016 Massey Ferguson 57N tractor front differential was repaired (\$3k), and pins & bushings were replaced and the lines were bored on the 2017 Diamond 22' rear cradle 50" boom (\$5k).

"New" means a piece of equipment not previously inventoried by the District – the actual equipment may be new or used. "Replacement" means a piece of equipment currently inventoried is being replaced. "Repair" means an existing piece of vehicle/equipment underwent significant repair work to keep it functioning.

No additional long-term debt was incurred and current long-term debt is zero (\$0).

Description of Currently Known Facts Expected To Have a Significant Effect on Financial Position

The District's user fee structure does not differentiate between developed and undeveloped parcels. Therefore, future growth or lack thereof, is not significant to the District's revenue stream. Growth, as defined by the development of agricultural lands or the build-out of large tracts of undeveloped residential parcels (not platted), can have a minor impact on increased revenues.

The St. Johns Heritage Parkway is now complete from Malabar Road to Ellis Road. The parkway goes through undeveloped and agricultural portions of the District with some parcels currently under development, some in the planning stages, and the potential for future development increasing the District's revenue.

The District retains 20 acres in the western portion of the District. The District has no immediate plans for developing the 20 acres.

**Melbourne-Tillman Water Control District
Management's Discussion and Analysis
September 30, 2022**

Requests for Information

Questions concerning any of the information provided or requests for additional financial information should be addressed to Lisa Blackett, Assistant Manager/Administrative Operations, (321) 723-7233, 5990 Minton Road, Palm Bay, Florida 32907.

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**MELBOURNE-TILLMAN
WATER CONTROL DISTRICT**

Basic Financial Statements

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Melbourne-Tillman Water Control District
Statement of Net Position

<i>September 30,</i>	2022
Assets	
Current assets	
Cash and cash equivalents	\$ 184,510
Investments, current	2,947,979
Due from other governments, net	461,549
Inventories	39,736
Total current assets	3,633,774
Noncurrent assets	
Investments, noncurrent	747,801
Capital assets	
Non-depreciable	277,821
Depreciable, net	550,159
Total noncurrent assets	1,575,781
Total assets	5,209,555
Deferred Outflows of Resources	
Deferred outflow - other post-employment benefits	26,418
Deferred outflow - pension	288,279
Total deferred outflows of resources	314,697
Liabilities	
Current liabilities	
Accounts payable	35,350
Accrued wages payable	50,269
Compensated absences	155,199
Total current liabilities	240,818
Noncurrent liabilities	
Net other post-employment benefit liability	80,451
Net pension liability	1,141,219
Total noncurrent liabilities	1,221,670
Total liabilities	1,462,488
Deferred Inflows of Resources	
Deferred inflow - pension	147,463
Total deferred inflows of resources	147,463
Net Position	
Invested in capital assets	827,980
Unrestricted	3,086,321
Total net position	\$ 3,914,301

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

Melbourne-Tillman Water Control District
Statement of Revenues, Expenses and Changes in Net Position

For the year ended September 30, **2022**

Operating Revenues	
User fees	\$ 2,222,956
Permit fees	291,795
Total operating revenues	2,514,751
 Operating Expenses	
Wages and benefits	1,515,631
Material and supplies	366,416
Depreciation expense	470,565
Repairs, maintenance and other expenses	329,734
Total operating expenses	2,682,346
Operating Loss	(167,595)
 Non-operating Revenues	
Interest income	47,199
Other income	132,683
Gain on disposal of fixed assets	210,775
Total non-operating revenues	390,657
Change in Net Position	223,062
Net position, beginning of year	3,691,239
Net position, end of year	\$ 3,914,301

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

Melbourne-Tillman Water Control District Statement of Cash Flows

<i>For the year ended September 30,</i>	2022
<hr/>	
Cash Flows from Operating Activities	
Cash received from users and government agencies	\$ 2,817,728
Cash paid to suppliers for goods and services	(707,277)
Cash paid to employees for services	(1,497,981)
<hr/>	
Net cash provided by operating activities	612,470
<hr/>	
Cash Flows from Capital and Related Financing Activities	
Acquisition of capital assets	(65,351)
Grant proceeds	132,683
Proceeds from sale of capital assets	279,888
<hr/>	
Net cash provided by capital and related financing activities	347,220
<hr/>	
Cash Flows from Investing Activities	
Interest on investments	47,199
Purchase of investments	(841,609)
<hr/>	
Net cash used in investing activities	(794,410)
<hr/>	
Increase in cash and cash equivalents	165,280
<hr/>	
Cash and cash equivalents, beginning of year	19,230
<hr/>	
Cash and cash equivalents, end of year	\$ 184,510
<hr/>	

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

**Melbourne-Tillman Water Control District
Statement of Cash Flows (Continued)**

For the year ended September 30,

2022

**Reconciliation of Operating Loss to Net Cash Provided By
Operating Activities**

Operating loss	\$ (167,595)
<hr/>	
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	470,565
Changes in assets, deferred outflows, liabilities and deferred inflows:	
(Increase) decrease in assets and deferred outflows	
Inventories	(18,692)
Due from other governments, net	302,977
Deferred outflows - pension	(26,384)
Deferred outflows - other post-employment benefits	1,795
Increase (decrease) in liabilities and deferred inflows	
Accounts payable	7,565
Net pension liability	628,510
Deferred inflow - pension	(605,699)
Net other post-employment benefit liability	(13,885)
Accrued wages payable	33,313
Total adjustments	780,065
<hr/>	
Net cash provided by operating activities	\$ 612,470

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

Melbourne-Tillman Water Control District Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Melbourne-Tillman Water Control District (the "District"), a dependent special district of Brevard County, Florida as defined under Sections 165.031(5) and 200.001(8)(d), Florida Statutes, was restructured October 1, 1986 by Chapter 86-418, Special Acts of Florida, from an independent district to a dependent district, to continue to provide a surface water management system by means of dikes and canals for 62,000 acres of land in South Brevard County. The District was originally organized and established by decree of the Circuit Court of Brevard County on January 7, 1922 as the Melbourne-Tillman Drainage District under Chapter 6458, Laws of Florida, Acts of 1913.

The financial statements of the District have been prepared in accordance with generally accepted accounting principles as applied to governmental units. The more significant of these accounting policies are described below.

Reporting Entity

The Melbourne-Tillman Water Control District, a dependent special district of Brevard County, is governed by a seven member Board of Directors comprised of three members appointed by the Brevard County Board of Commissioners, three members appointed by the City of Palm Bay and one member appointed by the City of West Melbourne. Melbourne-Tillman Water Control District does not meet the fiscal dependency and financial benefit or burden criteria and the County has determined that it would not be misleading to exclude the District from its reporting entity; therefore it is not included in the County's financial statements. The District remains a dependent special district of the County because the County approves the user fees.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The proprietary funds are reported using the *economic resource measurement* focus and the *accrual basis of accounting*.

The District uses the proprietary fund basis of presentation for its financial statements. The focus of proprietary fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles are those applicable to similar businesses in the private sector. These funds are maintained on the accrual basis of accounting. The following is a description of the sole proprietary fund of the District.

Enterprise Fund - The District operates as an enterprise fund that accounts for the construction, operation and maintenance of the District.

Melbourne-Tillman Water Control District Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

This fund is used to account for the acquisition, operation and maintenance of District facilities and services that are entirely or predominantly self-supported by user fees. The operations of enterprise funds are accounted for in such a manner as to show a profit or loss similar to comparable private enterprises.

Basis of accounting refers to the point at which revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Proprietary funds are accounted for using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when incurred.

Operating revenues and expenses are distinguished from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the enterprise fund is user fees charged to customers for services. Operating expenses include the cost of services, which mainly consists of wages, benefits, and materials, as well as administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Budgetary Information

Budgetary basis of accounting

The budgetary policy for the Board of Directors of the District involves establishing an annual operating expense budget. A tentative annual operating expense budget is to be adopted prior to July 1 of each year, and approved by the Brevard County Board of County Commissioners. Brevard County Board of County Commissioners action is required for the approval of a supplemental or amended budget.

Budgetary control is maintained at the line item level. The budget is prepared on an accrual basis of accounting, which is consistent with generally accepted accounting principles. All appropriations that are not expensed or committed lapse at year end.

Actual results of operations presented in accordance with generally accepted accounting principles (GAAP basis) and the District's accounting policies do not recognize encumbrances as expenditures until the period in which the actual goods or services are received and a liability is incurred. It is necessary to include budgetary encumbrances to reflect actual revenues and expenditures on a basis consistent with the District's legally adopted budget.

Melbourne-Tillman Water Control District Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position

Cash and cash equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

The investing of public funds with the State Board of Administration ("Florida Prime") is governed by Section 218.407, Florida Statutes. The investments with the State Board of Administration and Florida Counties Investment Trust consist largely of Federal Agency Obligations, Certificates of Deposit, Repurchase Agreements, Bankers Acceptance and Commercial Paper.

The District's investment in the Florida Prime is reported at amortized cost. The fair value of the District's position in the pool is equal to the value of pooled shares. As of September 30, 2022, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

The District also invests in certificates of deposit held by a bank, which are held to maturity and are nonparticipating interest-earning investment contracts. These certificates of deposit are valued at cost plus accrued interest per GASBC 150: Investments.

Inventories

Inventories are valued at the lower of cost (first-in, first-out) or market method. Inventories consist of herbicides and supplies held for use in maintaining the canals.

Capital assets

Capital assets, which include property, plant, and equipment are valued at historical cost or at fair market value for those assets contributed. Capital assets are defined by the District as assets with an initial, individual cost of more than \$750 and an estimated useful life in excess of two years.

Land and rights of way are not depreciated. The other property, plant, equipment are depreciated using the straight line method.

Melbourne-Tillman Water Control District Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position (Continued)

Capital assets (Continued)

Depreciation of the District's exhaustible fixed assets is charged as an expense against their operations and is closed to net position. Accumulated depreciation is reported on the District's statement of net position. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Capital assets	Lives
Buildings	25 years
Improvements other than buildings	5-25 years
Equipments	5-7 years

Deferred Outflows/ Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

The District has two (2) items that qualify for reporting as deferred outflows of resources, the *deferred outflows related to pensions* and the deferred outflows related to *other post-employment benefits*, both reported on the statement of net position. The deferred outflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria*. The deferred outflows related to pensions will be recognized as either pension expense or a reduction in the net pension liability in future reporting years. The deferred outflows related to other post-employment benefits are an aggregate of items related to other post-employment benefits as calculated in accordance with GASB Codification Section P52: *Other Post-employment Benefits*. The deferred outflows related to other post-employment benefits will be recognized as either benefits expense or a reduction in the net other post-employment benefits liability in future reporting years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one (1) item that qualifies for reporting as deferred inflows of resources. The deferred inflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria*.

The deferred inflows related to pensions will be recognized as a reduction to pension expense in future reporting years.

Melbourne-Tillman Water Control District Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position (Continued)

Compensated Absences

All regular full-time employees of the District are eligible for vacation leave. Each employee working a normal week earns vacation leave at certain rates depending on the employee's length of service. All vacation leave is accrued when earned in the statement of net position. Earned vacation leave may be accumulated provided the leave balance at the end of the calendar year does not exceed 300 hours. Hours in excess of 300 at the end of the calendar year are forfeited. Employees may trade earned vacation leave for payment one time annually under certain guidelines.

Sick leave is accumulated at a rate of 8 hours per month with less than 10 years of service, and at a rate of 12 hours per month with greater than 10 years of service. Sick leave may be accumulated up to 960 hours. Employees may trade earned sick leave for vacation leave or for payment up to a total of 320 hours annually under certain guidelines. Employees who resign in good standing will be paid for half of any unused sick leave up to a maximum of 480 hours.

Defined Benefit Pension Plans

The District participates in cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State, the Florida Retirement System. For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the state-administered defined benefit pension plans and additions to/deductions from the state-administered defined benefit pension plan's fiduciary net positions have been determined on the same basis as they are reported by the state-administered defined benefit pension plans. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The District's employer contributions are recognized when due, and the District has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plan.

Other Post-employment Benefits (OPEB) Liability

The District participates in a single employer, defined benefit, other post-employment plan. The District does not have a trust for the plan, and there is no actuarial determined contribution. The OPEB liability is determined in accordance with GASBC P52: Other Post-employment Benefits.

Revenues

The District is permitted by state law to levy user fees. The user fees assessed are computed by the designation of land classification to parcels of land, based on three different classifications of land use, multiplied by a specified billing rate. The billing rate used has been determined by the Board of Directors and approved by the Brevard County Commission.

Melbourne-Tillman Water Control District Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues (Continued)

User fee assessment and collection have been consolidated with Brevard County. A service fee is paid to the County for a proportionate share of the tax roll cost. The County tax collector periodically remits collections and their fees are deducted from the disbursement received by the District. Brevard County's assessments calendar is as follows:

Lien date	-	January 1
Levy date	-	Prior to September 30
Due date	-	November 1
Delinquent date	-	April 1

All user fees considered part of the County tax for enforcement and collection purposes remaining unpaid at May 30 are subject to a tax certificate sale by the Tax Collector.

The District also recognizes revenue from the issuance of permits, interest earnings on investments, charges for services and other miscellaneous sources.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, April 12, 2023. See Note 7 for relevant disclosures. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Recently Issued and Implemented Accounting Pronouncements

Melbourne Tillman Water Control District implemented the following standard during the current year.

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving the accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. There were no impacts from the implementation of this Statement.

Melbourne-Tillman Water Control District Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements (Continued)

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

GASB Statement No. 96, *Subscriptions-Based Information Technology Arrangements*, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset an intangible asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 100, *Accounting Changes and Error Corrections*, This Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 101, *Compensated Absences*, The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

The District is evaluating the requirements of the above statements and the impact on reporting.

Melbourne-Tillman Water Control District Notes to Financial Statements

Note 2: DETAIL NOTES - ALL FUNDS AND ACCOUNT GROUPS

Deposits and Investments

At September 30, 2022, the District's carrying amount of cash deposits was \$184,310 and the bank balance was \$190,312. In addition, the District reported petty cash of \$200. As of September 30, 2022, the District maintains cash balances at several banks that are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the District pursuant to Section 280.08, Florida Statutes.

The investment program is established in accordance with the District's investment policy, pertinent bond resolutions and Section 218.415, Florida Statutes, which allows the District to invest in the Florida State Board of Administration intergovernmental investment pool or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, direct obligations of the United States Government, obligations of the different agencies of the Federal Government, registered money market funds and accounts of state qualified public depositories.

The investing of public funds with the Florida State Board of Administration (SBA) - Local Government Surplus Funds Trust Fund is governed by Section 218.407, Florida Statutes. The SBA is under regulatory oversight of the State of Florida. The investment pool consists largely of corporate notes and commercial paper. On September 30, 2022, the District had \$2,947,979 invested. The fair value of the District's position in the pool is equal to the value of the pooled shares or net asset value.

At September 30, 2022, the District had the following investments:

Investment type	Cost Plus Accrued Interest	Investment Maturities (in years)				More than 10	Rating	Agency
		Less than 1	1 - 5	6 - 10				
Certificates of								
Deposit	\$ 747,801	\$ -	\$ -	\$ 747,801	\$ -		NR	
Total	\$ 747,801	\$ -	\$ -	\$ 747,801	\$ -			

The Florida Prime investments in external pools, though measured at fair value, are not categorized within the fair value hierarchy. The District had \$2,947,979 in investments in the SBA Florida Prime at September 30, 2022.

Melbourne-Tillman Water Control District Notes to Financial Statements

Note 2: DETAIL NOTES - ALL FUNDS AND ACCOUNT GROUPS (Continued)

Deposits and Investments (Continued)

Custodial credit risk – Custodial credit risk for deposits is the risk in the event of the failure of a depository financial institution a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate of deposits are defined as public deposits. The financial institutions in which the District places its deposits are certified as “qualified public depositories,” as required under the Florida Security for Public Deposits Act. For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

As of September 30, 2022, the District’s pension investments are held in street name in the form of stock, debt securities and U.S. government bonds through a financial brokerage firm and are segregated out from the assets and investments held by other clients of the investment firm and their own assets.

Interest rate risk – Interest rate risk is the possibility that interest rates will rise and reduce the fair value of an investment. The District’s investment policy limits interest rate risk by requiring that an attempt be made to match investment maturities with known cash needs and anticipated cash flow requirements. In addition, investments of current operating funds are required to have maturities of no longer than twelve months. A portfolio’s WAL is the dollar weighted average length of time until securities held reach maturity. A portfolio’s WAM is the dollar weighted average maturity. The WAL of the Florida Prime was 72 days and the WAM was 21 days at September 30, 2022.

Credit risk – Section 150: Investments of the GASB Codification requires that governments provide information about credit risk associated with their investments by disclosing the credit rating of investments in debt securities as described by nationally recognized statistical rating organizations. The District’s investment policy limits investments to securities with specific ranking criteria.

Concentration risk – Section 150: Investments of the GASB Codification requires disclosures of investments in any one issuer that represents five percent or more of total investments, excluding investments issued or explicitly guaranteed by the U.S government, investments in mutual funds, external investments pools and other pooled investments. The District’s investment policy does not address concentration risk.

Melbourne-Tillman Water Control District Notes to Financial Statements

Note 2: DETAIL NOTES - ALL FUNDS AND ACCOUNT GROUPS (Continued)

Capital Assets

The following is a summary of changes in capital assets during the year ended September 30, 2022:

Business-type activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 277,820	\$ -	\$ -	\$ 277,820
Rights-of-way	1	-	-	1
Construction in progress	855	-	(855)	-
Total capital assets, not being depreciated	278,676	-	(855)	277,821
Capital assets, being depreciated:				
Buildings	405,594	12,403	-	417,997
Improvements other than buildings				
Outfalls	7,043,643	-	-	7,043,643
Water control structure	1,105,535	-	-	1,105,535
Site plan improvements	494,676	15,602	-	510,278
Equipment				-
Vehicles and heavy equipment	3,919,097	30,111	(602,884)	3,346,324
Small equipment	70,946	1,400	-	72,346
Office furniture and fixtures	51,563	5,835	-	57,398
Total capital assets being depreciated	13,091,054	65,351	(602,884)	12,553,521
Less accumulated depreciation for:				
Buildings	(338,668)	(15,138)	-	(353,806)
Improvements other than buildings				
Outfalls	(7,043,643)	-	-	(7,043,643)
Water control structure	(1,105,535)	-	-	(1,105,535)
Site plan improvements	(452,551)	(36,753)	-	(489,304)
Equipment				
Vehicles and heavy equipment	(3,016,718)	(412,988)	534,626	(2,895,080)
Small equipment	(61,912)	(4,139)	-	(66,051)
Office furniture and fixtures	(48,396)	(1,547)	-	(49,943)
Total accumulated depreciation	(12,067,423)	(470,565)	534,626	(12,003,362)
Total capital assets being depreciated, net	1,023,631	(405,214)	(68,258)	550,159
Business-type activities capital assets, net	\$ 1,302,307	\$ (405,214)	\$ (69,113)	\$ 827,980

**Melbourne-Tillman Water Control District
Notes to Financial Statements**

Note 2: DETAIL NOTES - ALL FUNDS AND ACCOUNT GROUPS (Continued)

Capital Assets (Continued)

Depreciation expense for the year ended September 30, 2022 was \$470,565.

The rights-of-way consist of canals and rights of access to the canals acquired by the District at the inception of the District. Due to the uncertainty of the fair market value, management determined all the rights-of-way were recorded at a nominal value of \$1 in total, as of inception of the District.

Due From Other Governments, Net

Due from other governments, net consists of receivables from the Federal Emergency Management Agency (FEMA), passed through the Florida Division of Emergency Management for Hurricane Irma costs that were obligated for payment in the current fiscal year but not yet paid. \$497,811 is due from the federal government and \$27,656 due from the state of Florida. These costs are net of \$63,918 for questioned contract costs. See Note 7.

Compensated Absences

Following is a summary of changes in compensated absences for the year ended September 30, 2022.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated absences	\$ 125,028	\$ 125,331	\$ (95,160)	\$ 155,199	\$ 155,199

Melbourne-Tillman Water Control District Notes to Financial Statements

Note 3: RETIREMENT PLAN

Defined Benefit Plan

The District participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided

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

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes.

Melbourne-Tillman Water Control District Notes to Financial Statements

Note 3: RETIREMENT PLAN (Continued)

Defined Benefit Plan (Continued)

Contributions

The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan. The employer's contribution rates as of September 30, 2022, were as follows:

	FRS	HIS
Regular class	10.25%	1.66%
Special risk class	26.17%	1.66%
Senior management service class	29.91%	1.66%
Elected officials	55.34%	1.66%
DROP from FRS	16.94%	1.66%

The employer's contributions for the year ended September 30, 2022 were \$107,951 to the FRS Pension Plan and \$16,726 to the HIS Program.

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2022, the District reported a liability for its proportionate share of the net pension liability of the FRS Pension Plan and its proportionate share of the net pension liability of the HIS Program. The net pension liabilities were measured as of June 30, 2022. The District's proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS
Net pension liability	\$ 852,967	\$ 288,252
Proportion at:		
Current measurement date	0.002292426%	0.002721516%
Prior measurement date	0.002347150%	0.002734349%
Pension expense	\$ 102,555	\$ 10,736

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**Melbourne-Tillman Water Control District
Notes to Financial Statements**

Note 3: RETIREMENT PLAN (Continued)

Defined Benefit Plan (Continued)

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 40,511	\$ -	\$ 8,749	\$ (1,268)
Changes in assumptions	105,046	-	16,523	(44,592)
Net difference between projected and actual earnings on pension plan investments	56,321	-	417	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	24,451	(82,603)	8,514	(19,000)
Employer contributions subsequent to the measurement date	23,873	-	3,872	-
Total	\$ 250,203	\$ (82,603)	\$ 38,076	\$ (64,860)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2022. Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ending September 30,	FRS	HIS
2023	\$ 34,759	\$ (7,358)
2024	13,116	(3,985)
2025	(11,738)	(1,839)
2026	102,129	(3,985)
2027	5,461	(9,197)
Thereafter	-	(4,292)
Total	\$ 143,727	\$ (30,656)

Melbourne-Tillman Water Control District Notes to Financial Statements

Note 3: RETIREMENT PLAN (Continued)

Defined Benefit Plan (Continued)

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2022. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2022. For the HIS Program, the total pension liability was determined by an actuarial valuation dated July 1, 2021. The individual entry age normal actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary increases	3.25%	3.25%
Investment rate of return	6.70%	N/A
Discount rate	6.70%	3.54%

Mortality assumptions for both plans were based on the PUB-2010 base tables projected generationally with Scale MP-2018.

For both plans, the actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The following changes in key actuarial assumptions occurred in 2022:

FRS: The discount rate used to determine the total pension liability decreased from 6.80% to 6.70%.

HIS: The demographic assumptions for the Special Risk class were updated to reflect plan changes due to HB5007, HB689, and SB838.

HIS: The election assumption for vested terminated members was updated from 20% to 50% to reflect recent experience.

HIS: The municipal bond index rate and the discount rate used to determine the total pension liability increased from 2.16% to 3.54%.

The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. For the FRS Pension Plan, the table below summarizes the consulting actuary's assumptions based on the long-term target asset allocation.

Melbourne-Tillman Water Control District Notes to Financial Statements

Note 3: RETIREMENT PLAN (Continued)

Defined Benefit Plan (Continued)

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return
Cash	1.0%	2.6%	2.6%
Fixed income	19.8%	4.4%	4.4%
Global equity	54.0%	8.8%	7.3%
Real estate	10.3%	7.4%	6.3%
Private equity	11.1%	12.0%	8.9%
Strategic investments	3.8%	6.2%	5.9%
Total	<u>100%</u>		

Discount Rate

The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.70%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program is essentially funded on a pay-as-you-go basis, a municipal bond rate of 3.54% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer's proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

	FRS			HIS		
	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Employer's proportionate share of the net pension liability	\$ 1,475,147	\$ 852,967	\$ 332,750	\$ 329,784	\$ 288,252	\$ 253,885

Melbourne-Tillman Water Control District Notes to Financial Statements

Note 3: RETIREMENT PLAN (Continued)

Defined Benefit Plan (Continued)

Pension Plans' Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the State's separately issued financial reports.

Defined Contribution Plan

Pursuant to Chapter 121, Florida Statutes, the Florida Legislature created the Florida Retirement Investment Plan ("FRS Investment Plan"), a defined contribution pension plan qualified under Section 401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the Florida Retirement System in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class. Required employer contributions made to the plan during the year ended September 30, 2022, totaled \$20,334.

Note 4: OTHER POST EMPLOYMENT BENEFITS

Plan description

As a dependent District of Brevard County, Florida (the "County"), the District is a member of the County's benefit plan. The Brevard County Board of County Commissioners (the "Board") administers a single employer defined benefit healthcare plan (the "Plan") that provides health care benefits including medical coverage and prescription drug benefits to its employees and their eligible dependents. Pursuant to Section 112.0801 Florida Statutes, the District is required to provide eligible retirees (as defined in the County's pension plan) the opportunity to participate in this Plan at the same cost that is applicable to active employees.

Employees who are active participants in the Plan at the time of retirement and are either age 62 with completion of six years of service or have 30 years of service are eligible to receive benefits. The District's portion of the Plan includes 7 inactive retirees and a total of 19 active participants.

Benefit provisions can only be amended by the Board. On at least an annual basis, and prior to the enrollment process, the Board approves the rates for the coming year for the retiree, employee and County contributions. The Board or District does not issue stand-alone financial statements for this Plan. All financial information related to the Plan is accounted for in the District's basic financial statements.

Melbourne-Tillman Water Control District Notes to Financial Statements

Note 4: OTHER POST EMPLOYMENT BENEFITS (Continued)

Funding policy

The maximum employer contribution target is 56% of the annual premium cost of the Plan. The annual premium costs are between \$7,711 and \$12,921 for retirees and spouses under age 65 and between \$1,993 and \$5,541 for retirees and spouses over age 65. Employees hired prior to January 1, 2006 are eligible to receive 100% of the earned percentage of benefits for their lifetime upon attainment of age 62 and completion of six years of service or upon completing 30 years of service, if earlier. Employees hired on or after January 1, 2006 are eligible to receive a graduated earned percentage of benefits upon retirement based on years of service.

For the year ended September 30, 2022, none of the contribution was attributed to the District.

Actuarial assumptions and other inputs

The total OPEB liability in the September 30, 2022 actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	150.00 percent of the rate of medical inflation.
Salary increases	2.00 percent projected annual salary increase
Discount rate	4.77 percent investment rate of return
Healthcare cost trend rates	5.50 percent using Society of Actuaries Long-Term Model
Retirees' share of benefit-related costs	44.00 percent of annual premium cost

Projections of benefits for financial reporting purposes are based on the substantive Plan (the Plan as understood by the employer and the Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the October 1, 2022 actuarial valuation, the Entry Age Normal, Level Percent of Pay cost method was used. The actuarial assumptions included an annual healthcare cost trend rate of 5.50% initially, reduced by decrements to an ultimate rate of 5.00% after one year. The actuarial methods and assumptions used are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

At September 30, 2022 the District reported a Net OPEB liability of \$80,451. The GASB 75 information has been provided as of the September 30, 2022 measurement date.

Melbourne-Tillman Water Control District
Notes to Financial Statements

Note 4: OTHER POST EMPLOYMENT BENEFITS (Continued)

Actuarial assumptions and other inputs (Continued)

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balance as of October 1, 2021 for FYE 2021	\$ 94,336	\$ -	\$ 94,336
Changes for the year:		-	
Service cost	4,357	-	4,357
Interest	2,003	-	2,003
Changes of assumptions	(13,168)	-	(13,168)
Difference between expected and actual experience	16,715	-	16,715
Benefit payments	(23,792)	-	(23,792)
Net changes	(13,885)	-	(13,885)
Balance as of October 1, 2022 for FYE 2022	\$ 80,451	\$ -	\$ 80,451

Changes in assumptions and other inputs reflect a change in the discount rate from 2.43% as of September 30, 2021 to 4.77% as of September 30, 2022. The methods, assumptions, and participant data used are detailed in the actuarial valuation report dated October 1, 2022 with the exception of the actuarial cost method. These calculations are based on the Entry Age Normal cost method required by GASBC P52.

Sensitivity of the OPEB liability

The following table represents the District's total OPEB liability calculated using the discount rate of 4.77%, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.77%) or one percentage point higher (5.77%) than the current rate:

	1% Decrease (3.77%)	Discount Rate (4.77%)	1% Increase (5.77%)
Total OPEB Liability	\$ 85,702	\$ 80,451	\$ 75,698

**Melbourne-Tillman Water Control District
Notes to Financial Statements**

Note 4: OTHER POST EMPLOYMENT BENEFITS (Continued)

Sensitivity of the OPEB liability (Continued)

The following table represents the District's total and net OPEB liability calculated using the health care cost trend rate of 6%, as well as what the District's net OPEB liability would be if it were calculated using a health care cost trend rate that is one percentage point lower (5%) or one percentage point higher (7%) than the current rate:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	\$ 75,329	\$ 80,451	\$ 86,153

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB

For the fiscal year ended September 30, 2022, the District recognized an OPEB expense of (\$12,090). In addition the District reported deferred outflows of resources and deferred inflows of resources related to the OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 23,126	\$ -
Change of assumptions	3,292	-
Total	\$ 26,418	\$ -

Other amounts reported as deferred outflows of resources related to the OPEB plan will be recognized in the expense as follows:

Year ending September 30,	
2023	\$ 3,527
2024	3,527
2025	3,527
2026	3,527
2027	5,214
Thereafter	7,097
Total	\$ 26,418

Melbourne-Tillman Water Control District Notes to Financial Statements

Note 5: RELATED PARTY TRANSACTIONS

Due to the District's structure and the nature in which Board Members are appointed, the County is considered a related party to the District. During the year ended September 30, 2022, the District paid tax assessment and collection fees to the County of \$50,563.

Note 6: RISK MANAGEMENT

The District is exposed to various risks of loss including, but not limited to theft, natural disasters, damage to or destruction of assets, equipment, and monetary assets as well as liability for personal injury, property damage and consequence of public officials. In order to limit this exposure, the District purchases insurance related to property and inland marine coverage, general liability, public officials and employment practices liability, automobile, crime, workers' compensation, pollution liability and common declaration and endorsements to cover heavy equipment. Settled claims have not exceeded the coverage in any of the past three fiscal years and there has not been a reduction in coverage levels for the fiscal year ended September 30, 2022.

Note 7: SUBSEQUENT EVENTS

In March 2023 the District was notified that the Florida Division of Emergency Management approved \$62,702 in costs that the District had an allowance recorded for at September 30, 2022, as the costs were questioned contract costs. See Note 2. The District will record the additional grant revenue and reduce the allowance during fiscal year 2023 when the funds are received.

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REQUIRED SUPPLEMENTARY INFORMATION

Melbourne-Tillman Water Control District
Schedule of Proportionate Share of Net Pension Liability
Last Nine Fiscal Years

	Florida Retirement System (FRS)*								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability	0.0023%	0.0023%	0.0027%	0.0026%	0.0024%	0.0024%	0.0027%	0.0025%	0.0026%
District's proportionate share of the net pension liability	\$ 852,967	\$ 177,301	\$ 1,159,891	\$ 893,828	\$ 724,584	\$ 717,706	\$ 684,373	\$ 327,442	\$ 156,994
District's covered payroll	\$ 941,085	\$ 916,635	\$ 902,650	\$ 884,895	\$ 775,202	\$ 639,294	\$ 758,656	\$ 769,218	\$ 767,263
District's proportionate share of the net pension liability as a percentage of its covered payroll	90.64%	19.34%	128.50%	101.01%	93.47%	112.27%	90.21%	42.57%	20.46%
Plan fiduciary net position as a percentage of the total pension liability	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%
	Health Insurance Subsidy (HIS)*								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability	0.0027%	0.0027%	0.0029%	0.0028%	0.0027%	0.0028%	0.0031%	0.0030%	0.0029%
District's proportionate share of the net pension liability	\$ 288,252	\$ 335,408	\$ 353,278	\$ 312,696	\$ 290,607	\$ 297,028	\$ 356,596	\$ 307,877	\$ 266,699
District's covered payroll	\$ 941,085	\$ 916,635	\$ 902,650	\$ 884,895	\$ 775,202	\$ 639,294	\$ 758,656	\$ 769,218	\$ 767,263
District's proportionate share of the net pension liability as a percentage of its covered payroll	30.63%	36.59%	39.14%	35.34%	37.49%	46.46%	47.00%	40.02%	34.76%
Plan fiduciary net position as a percentage of the total pension liability	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

* The amounts presented for each fiscal year were determined as of 6/30.

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the District is presenting information for only the years for which information is available.

Melbourne-Tillman Water Control District
Schedule of Contributions
Last Nine Fiscal Years

Florida Retirement System (FRS)

	2022		2021		2020		2019		2018		2017		2016		2015		2014
Contractually required contribution	\$ 107,951	\$	89,935	\$	95,347	\$	86,121	\$	71,994	\$	64,704	\$	69,492	\$	61,808	\$	56,361
Contributions in relation to the contractually required contribution	(107,951)		(89,935)		(95,347)		(86,121)		(71,994)		(64,704)		(69,492)		(61,808)		(56,361)
Contribution deficiency (excess)	\$ -	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
District's covered payroll	\$ 922,748	\$	906,146	\$	902,496	\$	903,111	\$	830,246	\$	610,069	\$	726,968	\$	769,218	\$	767,263
Contributions as a percentage of covered payroll	11.70%		9.93%		10.56%		9.54%		8.67%		10.61%		9.56%		8.04%		7.35%

Health Insurance Subsidy (HIS)

	2022		2021		2020		2019		2018		2017		2016		2015		2014
Contractually required contribution	\$ 16,726	\$	15,220	\$	16,677	\$	16,043	\$	14,925	\$	14,523	\$	15,432	\$	11,540	\$	9,771
Contributions in relation to the contractually required contribution	(16,726)		(15,220)		(16,677)		(16,043)		(14,925)		(14,523)		(15,432)		(11,540)		(9,771)
Contribution deficiency (excess)	\$ -	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
District's covered payroll	\$ 922,748	\$	906,146	\$	902,496	\$	903,111	\$	830,246	\$	610,069	\$	726,968	\$	769,218	\$	767,263
Contributions as a percentage of covered payroll	1.81%		1.68%		1.85%		1.78%		1.80%		2.38%		2.12%		1.50%		1.27%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the District is presenting information for only the years for which information is available.

Melbourne-Tillman Water Control District
Schedule of Changes in the District's Total Other Postemployment Benefits
Liability and Related Ratios – Last Five Fiscal Years

	2022	2021	2020	2019	2018
Service cost	\$ 4,357	\$ 1,774	\$ 4,051	\$ 3,843	\$ 7,250
Interest	2,003	2,706	1,277	1,731	2,636
Difference between expected and actual experience	16,715	(14,656)	57,143	(8,304)	(33,870)
Changes of assumptions	(13,168)	(4,187)	49,463	1,669	(1,948)
Benefit payments	(23,792)	(35,474)	(5,714)	(3,630)	(8,101)
Net change in total OPEB liability	(13,885)	(49,837)	106,220	(4,691)	(34,033)
Total OPEB liability - beginning	94,336	144,173	37,953	42,644	76,677
Total OPEB liability - ending	\$ 80,451	\$ 94,336	\$ 144,173	\$ 37,953	\$ 42,644
Covered-employee payroll	\$ 961,835	\$ 878,833	\$ 1,077,851	\$ 1,021,337	\$ 926,931
Total OPEB liability as a percentage of covered-employee payroll	8.36%	10.73%	13.38%	3.72%	4.60%

Note 1: Only five years of data are available for other post-employment benefits in accordance with GASBC P52: Other Post-employment Benefits.

**ADDITIONAL ELEMENTS REQUIRED BY *GOVERNMENT AUDITING*
STANDARDS AND THE RULES OF THE AUDITOR GENERAL**

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

To the Board of Directors
Melbourne-Tillman Water Control District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Melbourne-Tillman Water Control District as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise Melbourne-Tillman Water Control District's basic financial statements, and have issued our report thereon dated April 12, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Melbourne-Tillman Water Control District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Melbourne-Tillman Water Control District's internal control. Accordingly, we do not express an opinion on the effectiveness of Melbourne-Tillman Water Control 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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result 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.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida

April 12, 2023



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INDEPENDENT AUDITORS' MANAGEMENT LETTER

To the Board of Directors
Melbourne-Tillman Water Control District

Report on the Financial Statements

We have audited the financial statements of the Melbourne-Tillman Water Control District, as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated April 12, 2023.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated April 12, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. The findings 2021-001 Review of Reports and 2021-002 Review of Expenses were both resolved during 2022.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority of the Melbourne-Tillman Water Control District is disclosed in the footnotes. Melbourne-Tillman Water Control District has no component units.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Melbourne-Tillman Water Control District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Melbourne-Tillman Water Control District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Melbourne-Tillman Water Control District. It is management's responsibility to monitor the Melbourne-Tillman Water Control District's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

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

Specific Information (Unaudited)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Melbourne-Tillman Water Control District reported the schedule below. This information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Melbourne-Tillman Water Improvement District reported:

- | | |
|--|--------------|
| a. Total number of District employees compensated in the last pay period of the District's fiscal year as | 20 |
| b. Total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year as | None |
| c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as | \$ 1,008,248 |
| d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as | None |
| e. Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin after October 1 of the fiscal year being reported, together with the total expenditures for such projects as | None |
| f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes as follows: | |

<i>Year ended September 30, 2022</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating Revenues				
User fees	\$ 2,334,607	\$ 2,334,607	\$ 2,222,956	\$ (111,651)
Permit fees	75,000	155,000	291,795	136,795
Total operating revenues	2,409,607	2,489,607	2,514,751	25,144
Operating Expenses				
Wages and benefits	1,514,408	1,511,408	1,515,631	(4,223)
Material and supplies	587,943	732,443	366,416	366,027
Depreciation expense	-	-	470,565	(470,565)
Repairs, maintenance and other expenses	512,888	512,888	329,734	183,154
Total operating expenses	2,615,239	2,756,739	2,682,346	74,393
Operating Loss	(205,632)	(267,132)	(167,595)	99,537
Non-operating Revenues				
Interest income	-	-	47,199	47,199
Other income	-	-	132,683	132,683
Gain on disposal of fixed assets	-	261,000	210,775	(50,225)
Total non-operating revenues	-	261,000	390,657	129,657
Change in net position	(205,632)	(6,132)	223,062	229,194
Net position, beginning of year	3,691,239	3,691,239	3,691,239	-
Net position, end of year	\$ 3,485,607	\$ 3,685,107	\$ 3,914,301	\$ 229,194

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Melbourne-Tillman Water Improvement District reported:

- | | |
|--|------|
| a. The rate or rates of non-ad valorem special assessments imposed by the District as | None |
| b. The total amount of special assessments collected by or on behalf of the District as | None |
| c. The total amount of outstanding bonds issued by the District and the terms of such bonds as | None |

Additional Matters

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

Purpose of this Letter

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

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida

April 12, 2023



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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES

To the Board of Directors
Melbourne-Tillman Water Control District

We have examined Melbourne-Tillman Water Control District's compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2022. Management of Melbourne-Tillman Water Control District is responsible for Melbourne-Tillman Water Control District's compliance with the specified requirements. Our responsibility is to express an opinion on Melbourne-Tillman Water Control District's compliance with the specified requirements based on our examination.

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

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

Our examination does not provide a legal determination on Melbourne-Tillman Water Control District's compliance with specified requirements.

In our opinion, Melbourne-Tillman Water Control District complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2022.

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

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
April 12, 2023

Attachment

4

From: Katie Jordan <katejordan803@gmail.com>
Sent: Friday, April 14, 2023 1:16 PM
To: wendy leonard; Rick Nipper
Subject: Re: Martin Pools - Jordan

Thanks for the update Wendy. This is such a nightmare!

Rick, please see the message from Wendy Leonard from Martin Pools regarding the access for digging my pool. I had asked her to come back out and try to evaluate any other way we could get into my backyard without the cooperation of my neighbors. However, even with the smaller equipment, my neighbor on the right would have to remove his gate or the neighbor on the left would have to remove their tree *and* get their yard dug up! I also confirmed with Wendy that access would be needed for the whole project, she had just been explaining before that only the dig would be an additional expense to me if we had been able to go through one of the sides. Apologies for any confusion there.

I'm working on getting statements from both neighbors that they aren't willing to do this. I think the one neighbor is out of town because I haven't seen anyone over there in a while! Hopefully I'll have the statements before the board meeting next week. Is there anything else we need to do or have for you on this? An application or other statement from the contractor? Martin is ready to dig my pool, so we're praying that if access is allowed, we'll be able to start soon.

We really appreciate your help and understanding with this. The pool process is stressful and expensive enough, we weren't expecting to have such an issue getting into the yard!

Warm regards,
Katie Jordan + Jay Garces

On Fri, Apr 14, 2023 at 12:35 PM wendy leonard <poolgirl@live.com> wrote:

Hi Katie -

I hope all is well! I wanted to follow up with you about our last meeting in your yard. The neighbor on your right with the fence and pool, there is no equipment small enough to dig your pool without removing their fence for access. I know they have dogs so I'm not sure how that would work. With my experience, neighbors won't agree to help. Now the other side. Two things would have to happen, their 3 palm tree grouping would have to be removed and your sprinkler pump would have to be removed for the day of the dig. Actually 3 things the whole side of your fence needs to be removed except 3 panels. Since our meeting I did send my excavator to presite your yard and he also mentioned that his machine would actually be in your neighbor's yard to dig the shallow end of the pool and back his way out. So you'll have some additional expenses with restoring their yard. I think that's about it for right now. If you have any questions, just let me know.

Talk to you soon -
Wendy Leonard
Martin Pools & Spas

Lisa Blackett

From: Lisa Blackett
Sent: Wednesday, April 19, 2023 3:48 PM
To: Lisa Blackett
Subject: RE: Canal Access for Pool Build - Hardship Request

From: Katie Jordan <katejordan803@gmail.com>
Sent: Monday, March 20, 2023 12:47 PM
To: MTWCD <mtwcd@melbournetillman.org>
Subject: Canal Access for Pool Build - Hardship Request

Hi Rick!

Thank you very much for speaking with us today, I really appreciate your time.

I live at 4578 Alligator Flag Circle in the Sawgrass Lakes Community in West Melbourne. We have a contract with Martin Pools and were hoping to have them access the backyard from the canal, because it is the only way to get to my backyard for this kind of project without a huge inconvenience to my neighbors.

(Please see below - they build these houses way too close together now!)



^On this side of my house, there are utility boxes that would need to be avoided by going through my front yard, and even if we remove all of the fencing, my neighbor's palm tree would also have to be removed to fit the equipment through.



^ On the other side of my house, My neighbor would have to remove his fence, which he is unwilling to do because he frequently keeps his dogs in the backyard.

Unfortunately, the \$30/lin foot fee would be **over \$20,000** because my property is about 677 feet from the access on Shallow Creek Boulevard. While we absolutely understand the need to ensure that the canals aren't damaged during the project, we're just not able to pay that kind of fee for the access. We were originally hoping to use the canal access for the entirety of the project, and would still be incredibly grateful if we could. However, from what we understand from the pool builder, the access is most essential for the Dig, which has the biggest equipment and is usually only 1-2 days of work.

We would really appreciate the opportunity to bring this up for consideration at the next board meeting on April 25, to see if we could reach a reasonable agreement. Please let me know of any next steps, applications to fill out, or anything else we can do.

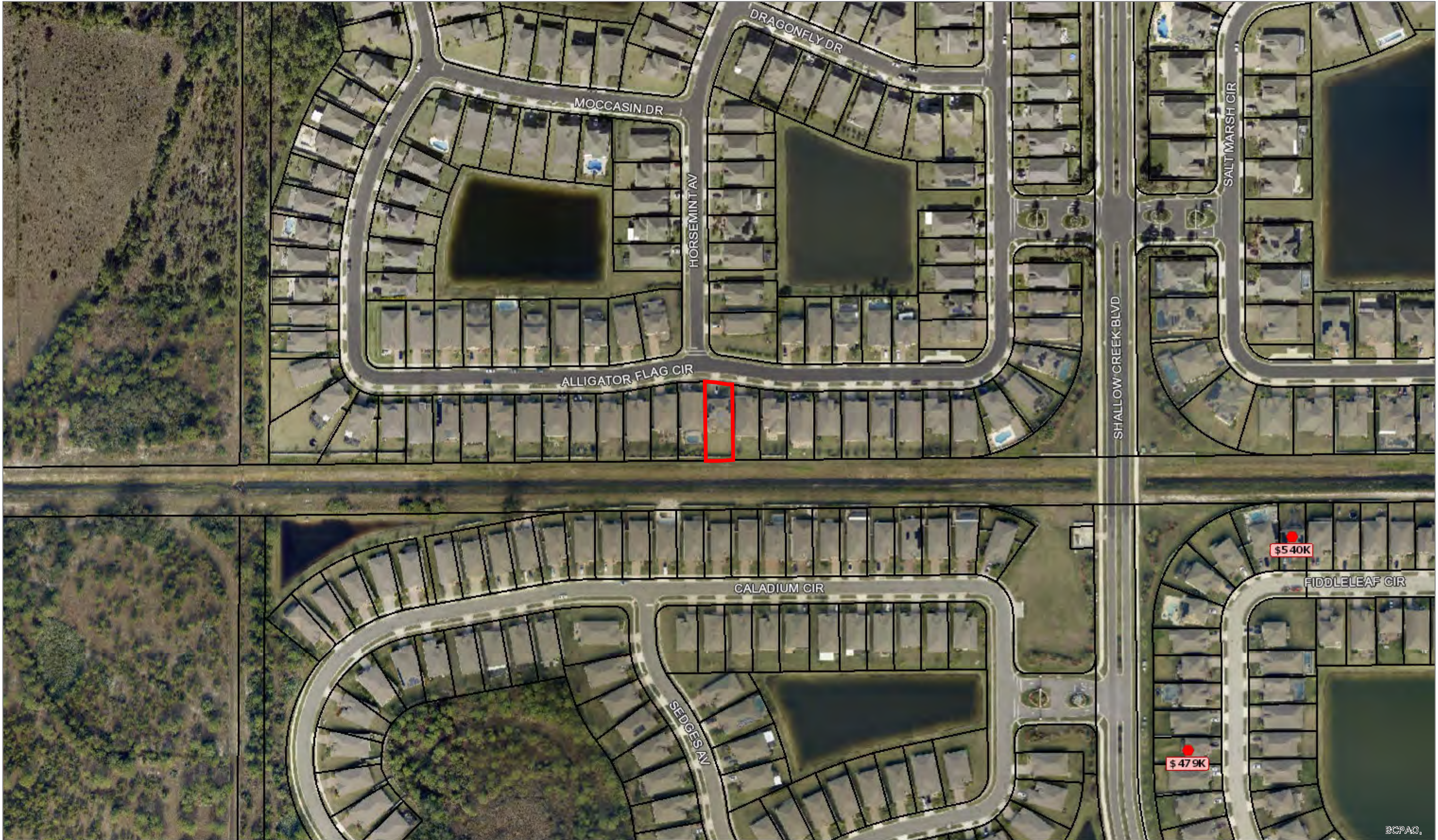
Thank you again,

Katie and Jay



HORSEMINT AV

ALLIGATOR FLAG CIR



BCPAO

All BCPAO maps and/or map applications are maintained for assessment and illustrative purposes only and do not represent surveys, plats, or any other legal instrument. Likewise, measurement and location tools are for assessment and illustrative purposes only and do not necessarily reflect real-world conditions. Due to the nature of Geographic Information Systems (GIS) and cadastral mapping, map layers may not precisely align and may not represent precise location, shape, and/or legal boundaries. Only a Florida-licensed surveyor can determine legally-relevant property boundaries, elevation, distance, area, and/or location in Florida.



Ron DeSantis, Governor

Julie I. Brown, Secretary



STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

CONSTRUCTION INDUSTRY LICENSING BOARD

THE COMMERCIAL POOL/SPA CONTRACTOR HEREIN HAS REGISTERED UNDER THE
PROVISIONS OF CHAPTER 489, FLORIDA STATUTES

(INDIVIDUAL MUST MEET ALL LOCAL LICENSING
REQUIREMENTS PRIOR TO CONTRACTING IN ANY AREA)

PIERSON, CHARLES DONALD

MARTIN POOLS AND SPAS INC
4301 N WICKHAM RD
MELBOURNE FL 32935

LICENSE NUMBER: RP0058371

EXPIRATION DATE: AUGUST 31, 2023

Always verify licenses online at MyFloridaLicense.com

Do not alter this document in any form.

This is your license. It is unlawful for anyone other than the licensee to use this document.





**BREVARD COUNTY PLANNING AND DEVELOPMENT DEPARTMENT
LICENSING REGULATION AND ENFORCEMENT**

2725 Judge Fran Jamieson Way, Building A-114
Viera FL 32940
www.brevardfl.gov/PlanningDev

Phone: (321) 633-2058
Fax: (321) 690-6878
Email: contractorlicensing@brevardfl.gov

CERTIFICATE OF COMPETENCY LICENSE

LICENSE NO.: SW123

THIS CERTIFIES THAT:

CHARLES D PIERSON

MARTIN POOLS AND SPAS INC

HAS QUALIFIED AS A:

SWIMMING POOL COMMERCIAL CONTRACTOR

THIS CERTIFICATE IS ISSUED FOR

BREVARD COUNTY, FLORIDA, ON DECEMBER 19, 1988

LICENSE STATUS: ACTIVE

BUD CRISAFULLI

CHAIRMAN, BREVARD COUNTY CONTRACTOR LICENSING BOARD

DAWN VEROSTIC

SECRETARY, BREVARD COUNTY CONTRACTOR LICENSING BOARD

*"THIS IS NOT A BUSINESS TAX RECEIPT"
PLEASE VERIFY ALL INFORMATION FOR ACCURACY*



**BREVARD COUNTY
CONTRACTOR LICENSING BOARD
CERTIFICATE OF COMPETENCY LICENSE**

LICENSE NO.: SW123 EXP. DATE: 8/31/2023 STATUS: ACTIVE

SWIMMING POOL COMMERCIAL CONTRACTOR

**CHARLES D PIERSON
MARTIN POOLS AND SPAS INC
3420 N HARBOR CITY BLVD
MELBOURNE, FL 32935**

**IMPORTANT!
THIS IS YOUR CERTIFICATE OF COMPETENCY
DISPLAY AS REQUIRED BY LAW
UNDER BREVARD COUNTY ORDINANCE
CHAPTER 22, ARTICLE VI**

Verify CONTRACTOR is in Good Standing.
www.brevardfl.gov/PlanningDev
Select Find a Licensed Contractor
Validation not available for Master or Journeyman.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
11/14/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Sihle Insurance Group Inc. 1021 Douglas Ave. Altamonte Springs FL 32714	CONTACT NAME: Jennifer Jones PHONE (A/C No, Ext): 321-422-7897 FAX (A/C No): E-MAIL ADDRESS: jljones@sihle.com
INSURER(S) AFFORDING COVERAGE	
INSURER A: Cincinnati Specialty Underwriters Insurance Compan	
INSURER B: American Builders Insurance Company	
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** 2001529755 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE		ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/>	COMMERCIAL GENERAL LIABILITY			CSU 0160482	12/4/2022	12/4/2023	EACH OCCURRENCE	\$ 1,000,000
	<input type="checkbox"/>	CLAIMS-MADE	<input checked="" type="checkbox"/>	OCCUR				DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000
	<input checked="" type="checkbox"/>	1,000						MED EXP (Any one person)	\$
	GEN'L AGGREGATE LIMIT APPLIES PER:								PERSONAL & ADV INJURY
<input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC							GENERAL AGGREGATE	\$ 2,000,000	
OTHER:							PRODUCTS - COMP/OP AGG	\$ 2,000,000	
AUTOMOBILE LIABILITY									
<input type="checkbox"/> ANY AUTO								COMBINED SINGLE LIMIT (Ea accident)	\$
<input type="checkbox"/> OWNED AUTOS ONLY		<input type="checkbox"/> SCHEDULED AUTOS						BODILY INJURY (Per person)	\$
<input type="checkbox"/> HIRED AUTOS ONLY		<input type="checkbox"/> NON-OWNED AUTOS ONLY						BODILY INJURY (Per accident)	\$
<input type="checkbox"/> AUTOS ONLY		<input type="checkbox"/> AUTOS ONLY						PROPERTY DAMAGE (Per accident)	\$
A	<input type="checkbox"/>	UMBRELLA LIAB			CSU 0187917	12/4/2022	12/4/2023	EACH OCCURRENCE	\$ 1,000,000
	<input checked="" type="checkbox"/>	EXCESS LIAB	<input checked="" type="checkbox"/>	OCCUR				AGGREGATE	\$
	<input type="checkbox"/>	DED	<input type="checkbox"/>	RETENTION \$					\$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WCV 0029682 15	12/4/2022	12/4/2023	<input type="checkbox"/> PER STATUTE	<input type="checkbox"/> OTHER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)		Y/N	N/A				E.L. EACH ACCIDENT	\$ 1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below							E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
								E.L. DISEASE - POLICY LIMIT	\$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER City of West Melbourne Building Department 2240 Minton Road West Melbourne FL 32904	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
--	--

Attachment

5



MELBOURNE-TILLMAN WATER CONTROL DISTRICT

5990 Minton Road, Palm Bay, Florida 32907

321-723-7233

Fax 321-725-5933

MEMORANDUM

TO: Rick Nipper, District Manager

FROM: Michael E. McCabe, District Engineer //

SUBJECT: Spectrum parallel use request for Canal C-77 6350 Babcock St., AKA Big Rig Storage

DATE: 4/12/23

Robert Bane with Young's Communication, representing Spectrum Sunshine State, LLC provided the attached plans to remove an aerial cable and installing buried conduit for new installation of cable. The current aerial cable restricts access for large commercial vehicles from entering the site via the driveway and due to separation requirements for the power line, this cable cannot be raised on the poles. The installation is for two 1-1/2" conduits, located no more than three feet (3') from right-of-way line within the Canal C-77 maintenance road. The additional conduit is for redundancy in the case of installing a new cable and is for the sole use of the permittee. Hand holes are to be traffic rated and flush with the existing grade.

Spectrum Sunshine State, LLC is requesting approval to install one hundred ninety-six feet (196') of two 1-1/2" conduits within the Canal C-77 right-of-way.

w/attachments



CANAL PERMIT

6350 BABCOCK ST SE

COVER, VICINITY MAP, AND PICTURES

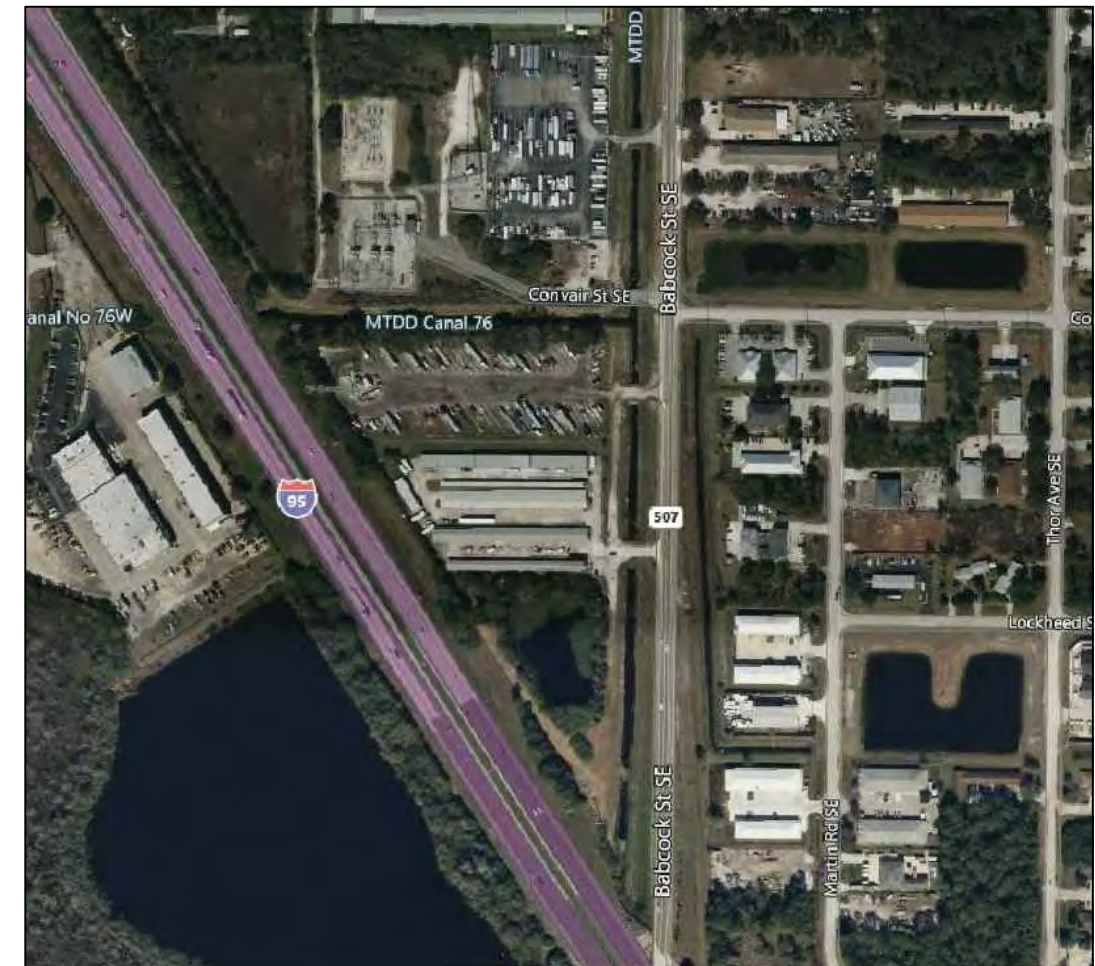
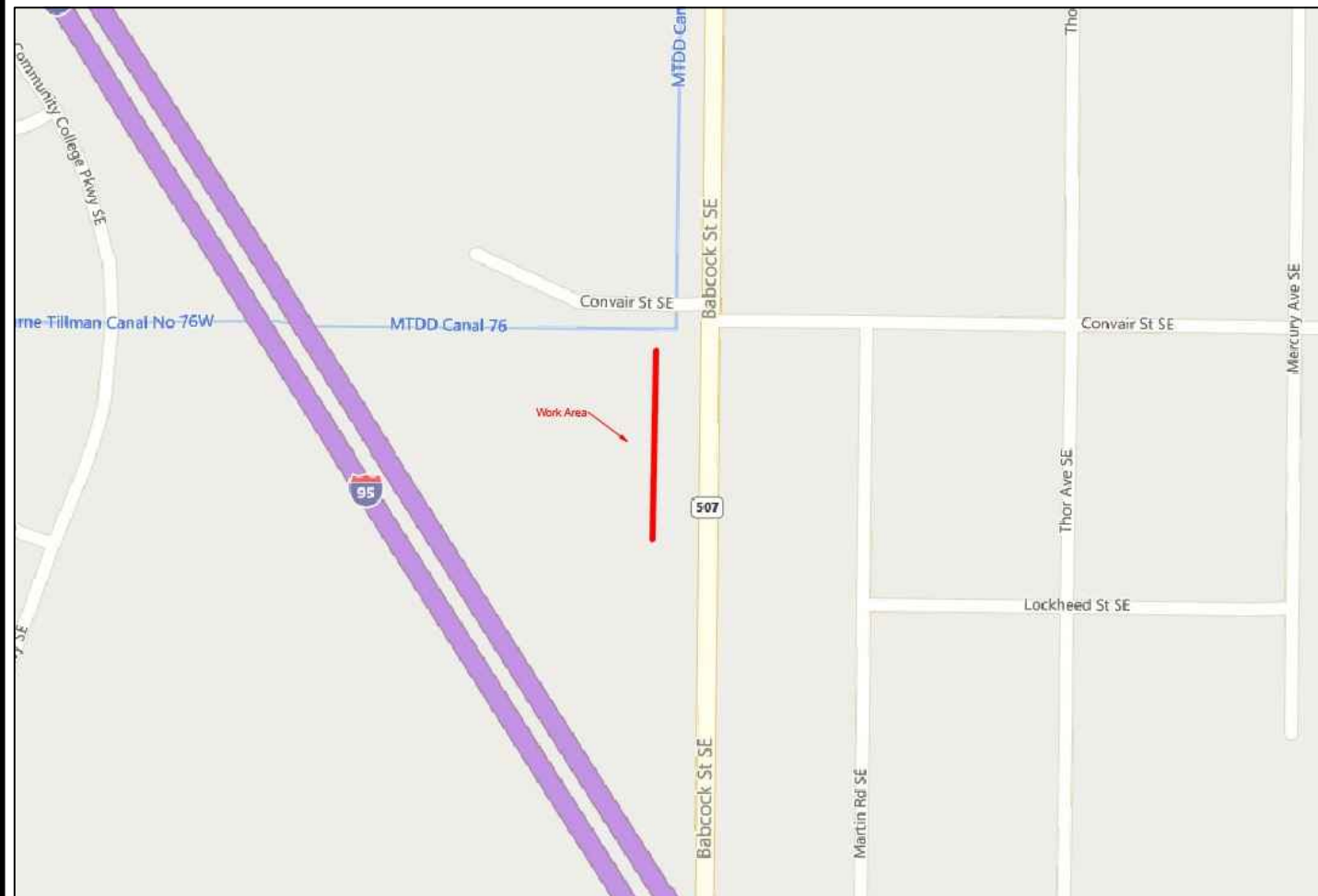
DRAWING AND CROSS SECTIONS

MOT AND CONSTRUCTION NOTES

PAGE 1

PAGE 2

PAGE 3



SCALE:
NOT TO
SCALE

LOCATION:
6350 BABCOCK ST SE
PALM BAY, FL 32909

DESCRIPTION:
Proposed placement and cross sections of
Spectrum buried cable on Babcock St SE.

PAGE 1

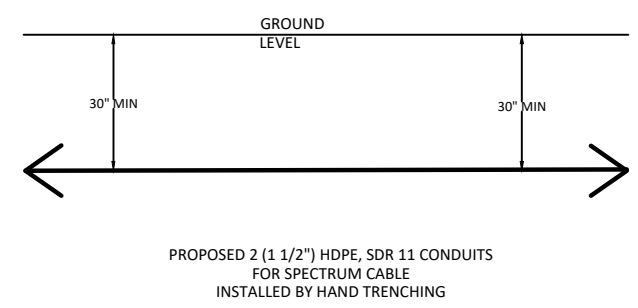
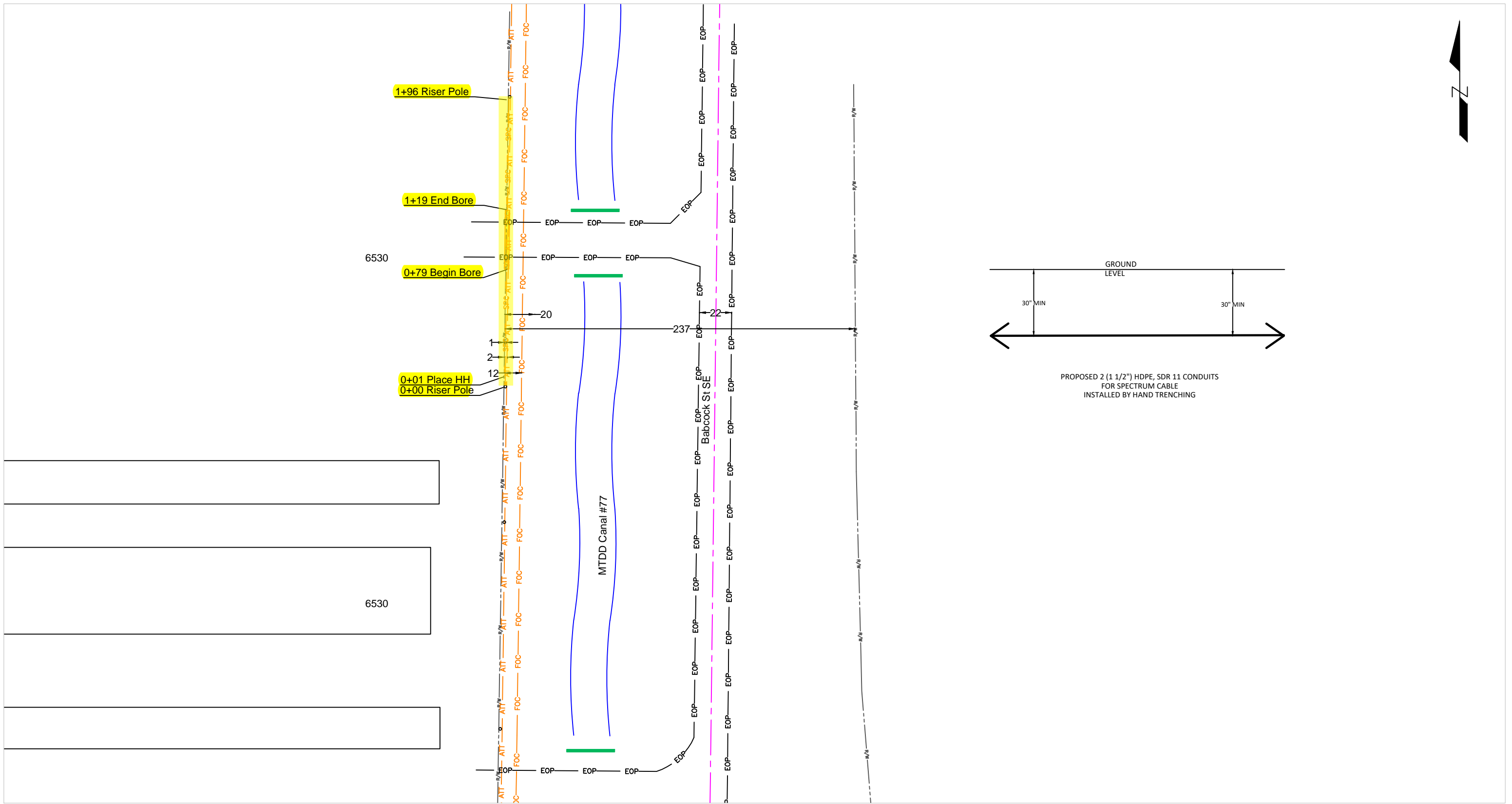
4 FEBRUARY 2023

PRISM# 4263498



SPECTRUM SUNSHINE STATE
720 MAGNOLIA AVENUE
MELBOURNE, FL 32935
JESSE DEPEW: 321-757-6482
JESSE.DEPEW@CHARTER.COM



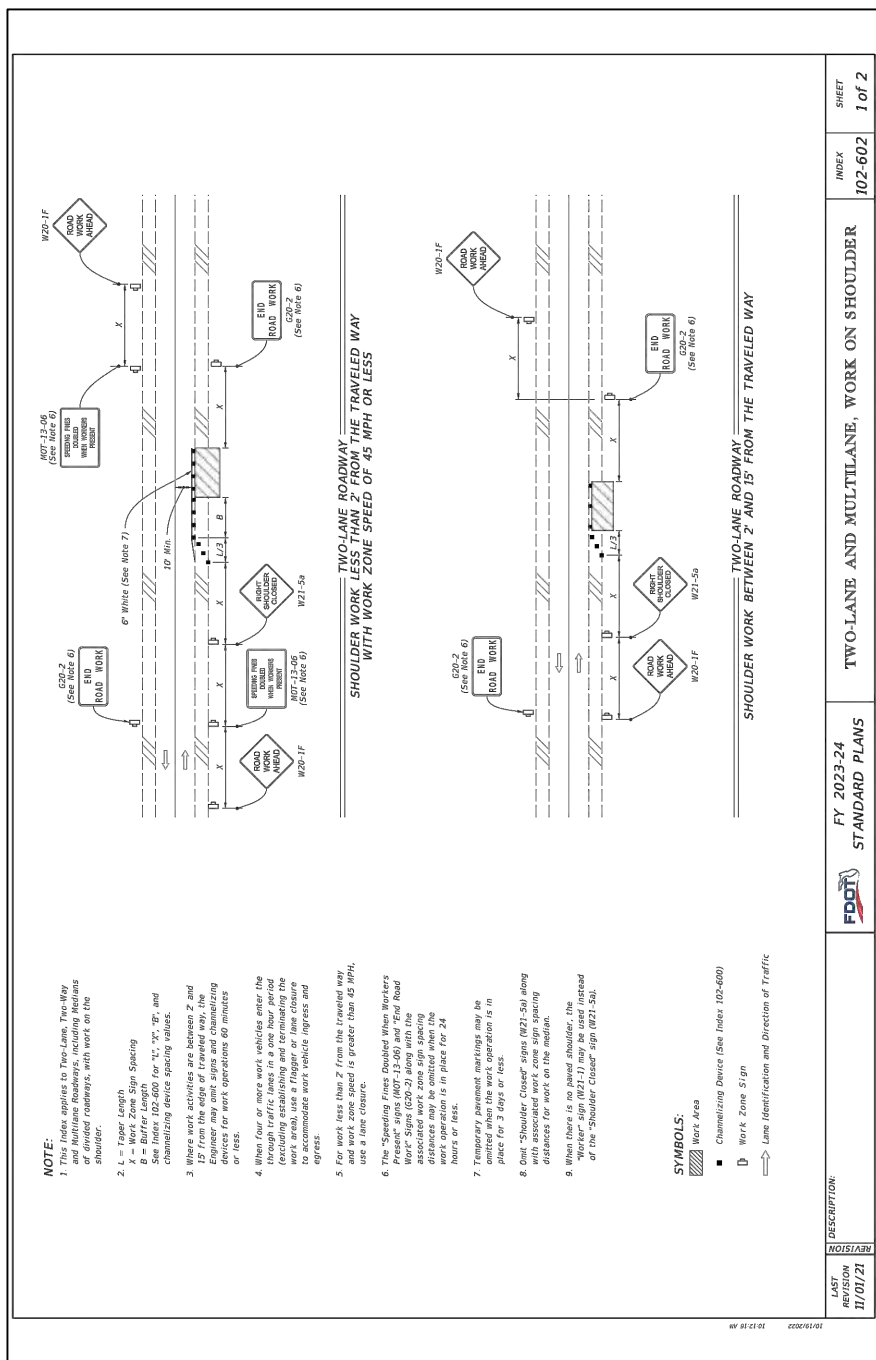


SCALE: NOT TO SCALE
 LOCATION: 6350 BABCOCK ST SE
 PALM BAY, FL 32909
 PAGE 2
 4 FEBRUARY 2023

DESCRIPTION:
Proposed placement and cross sections of Spectrum buried cable on Babcock St SE.
 PRISM# 4263498

Spectrum
 SPECTRUM SUNSHINE STATE
 720 MAGNOLIA AVENUE
 MELBOURNE, FL 32935
 JESSE DEPEW: 321-757-6482
 JESSE.DEPEW@CHARTER.COM





Construction Notes:

NOTE: All disturbed areas within the R.O.W. will be sodded with Bermuda sod ONLY...(or Match existing)

NOTE: All Directional bores extend a minimum of 8 (eight) feet beyond all City Road and Commercial Driveways, and a minimum of 3 (three) feet beyond Residential Driveways and Sidewalks, unless otherwise indicated.

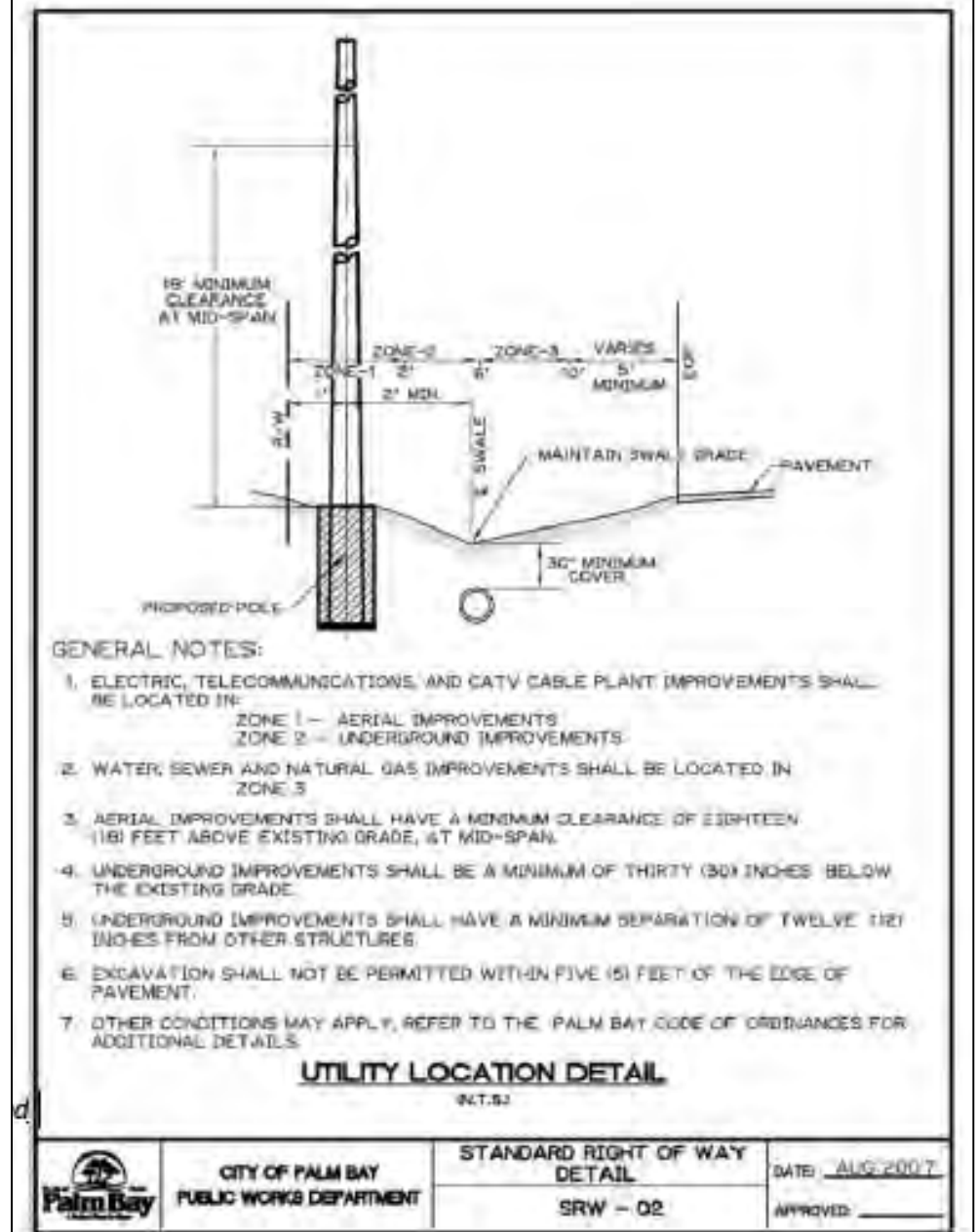
NOTE: A minimum of 12 (twelve) inches of separation will be maintained with existing utilities.

NOTE: Any damage to the existing infrastructure, including sidewalks, by the contractor will be replaced prior to the final inspection.

NOTE: Existing drainage swales and/or culverts will be maintained during proposed trench/bore and will be restored to original conditions.

NOTE: Door hangers will be placed 48 hours before work begins to notify property owners of proposed work in the Right-of-Way or easements

NOTE: This project will consist of trenching and placing a power supply.



SCALE:
NOT TO SCALE

LOCATION:
6350 BABCOCK ST SE
PALM BAY, FL 32909

DESCRIPTION:
Proposed placement and cross sections of Spectrum buried cable on Babcock St SE.

PAGE 3

4 FEBRUARY 2023

PRISM# 4263498



SPECTRUM SUNSHINE STATE
720 MAGNOLIA AVENUE
MELBOURNE, FL 32935
JESSE DEPEW: 321-757-6482
JESSE.DEPEW@CHARTER.COM

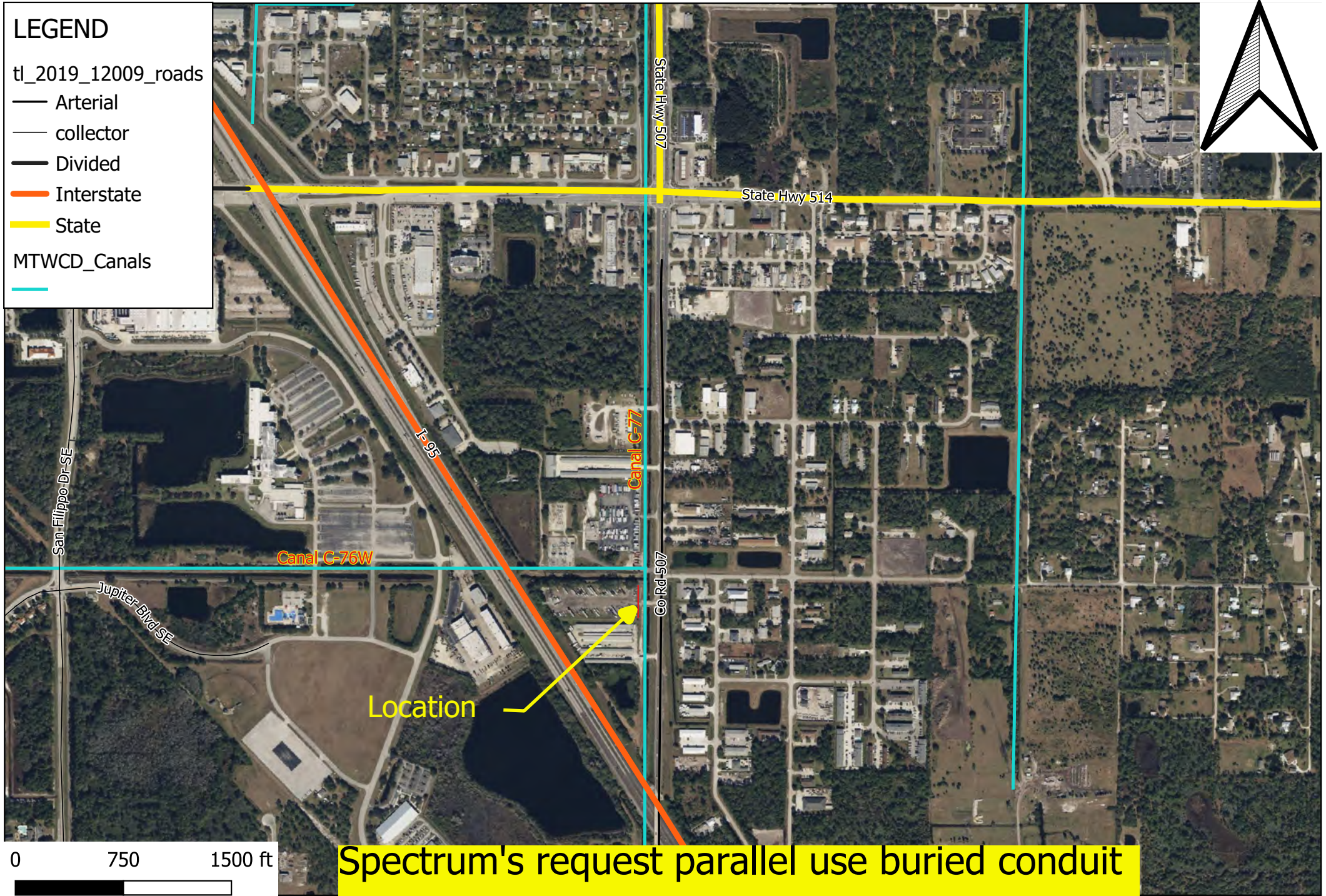
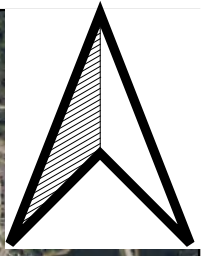


LEGEND

tl_2019_12009_roads

- Arterial
- collector
- Divided
- Interstate
- State

MTWCD_Canals



0 750 1500 ft



Spectrum's request parallel use buried conduit



Cable to be
relocated in conduit

Proposed buried
route of conduit

Attachment

6



Melbourne-Tillman Water Control District
 FY 2023/2024 Budget
Presented to the Board of Directors 4/25/23

User Fee Increase only in Commercial Category of 4.64% or 1.57% Total User Fee Increases

Staff Count	2022-2023	2023-2024	
	20	20	
5120000 SALARIES	\$ 1,135,662	\$ 1,147,842	1.07%
5210100 FICA-SOCIAL SECURITY	\$ 86,878	\$ 87,466	0.68%
5220100 RETIREMENT	\$ 139,719	\$ 182,736	30.79%
5230100 HEALTH & LIFE INSURANCE	\$ 280,506	\$ 282,960	0.87%
5240100 WORKERS COMPENSATION	\$ 31,091	\$ 35,755	15.00%
Compensation & Benefits	\$ 1,673,856	\$ 1,736,759	3.76%
531 Professional Services	\$ 38,100	\$ 39,100	2.62%
Legal Services	\$ 8,000	\$ 9,000	
Drug testing	\$ 100	\$ 100	
Other Professional Services	\$ 30,000	\$ 30,000	
532 Accounting & Auditing	\$ 13,000	\$ 14,000	7.69%
Auditing Services	\$ 13,000	\$ 14,000	
534 Other Contractual Services	\$ 7,720	\$ 7,300	-5.44%
Uniform Rental	\$ 5,720	\$ 5,900	
Garbage Service	\$ 2,000	\$ 1,400	
540 Travel & Per Diem	\$ 2,000	\$ 1,200	0.00%
Travel	\$ 2,000	\$ 1,200	
541 Communications & Freight Services	\$ 10,300	\$ 10,500	1.94%
Telephone	\$ 8,000	\$ 8,000	
Postage, Freight	\$ 2,300	\$ 2,500	
543 Utility Services	\$ 8,000	\$ 8,375	4.69%
Water & Electricity	\$ 7,500	\$ 7,875	
Solid Waste Assessment	\$ 500	\$ 500	
544 Rentals & Leases	\$ 11,500	\$ 13,500	17.39%
Rentals & Leases	\$ 11,500	\$ 13,500	
545 Insurance	\$ 102,927	\$ 144,098	40.00%
General Liability	\$ 102,927	\$ 144,098	
546 Repair & Maintenance Services	\$ 171,370	\$ 188,507	10.00%
Repair & Maintenance Services	\$ 84,700	\$ 93,170	
Repair & Maintenance Supply	\$ 26,620	\$ 29,282	
Auto & Equipment Parts	\$ 54,550	\$ 60,005	
Maintenance Agreements	\$ 5,500	\$ 6,050	
549 Other Current Charge & Obligations	\$ 49,687	\$ 50,323	1.28%
Bank Service Fees	\$ -	\$ -	
Licenses/Permits	\$ 500	\$ 500	
Advertising	\$ 1,500	\$ 1,500	
Tax Collector/Property Appraiser	\$ 47,687	\$ 48,323	
551 Office Supplies	\$ 6,000	\$ 6,600	10.00%
Office Supplies	\$ 6,000	\$ 6,600	
552 Operating Supplies	\$ 361,500	\$ 293,750	-18.74%
Fuel, Gas & Oil	\$ 160,000	\$ 125,000	
Aquatic Treatment	\$ 185,000	\$ 150,000	
Operating Supplies	\$ 16,500	\$ 18,750	
554 Books, Publications, Subscriptions, Membership	\$ 6,700	\$ 7,000	4.48%
Books, Pubs, Subs, Member	\$ 3,200	\$ 3,500	
Training	\$ 3,500	\$ 3,500	
Operations Expense	\$ 788,804	\$ 784,253	-0.58%
5610001 Capital Outlay - Land	\$ -	\$ -	
5620001 Capital Outlay - Buildings	\$ -	\$ -	
5630001 Capital Outlay - Improvements other than Buildings	\$ 75,000	\$ 25,000	-66.67%
5640001 Capital Outlay - Machinery & Equipment	\$ 259,634	\$ 324,164	24.85%
Dump Trucks	\$ 204,000	\$ 226,000	Slope Mower
Flat bed truck w/crane	\$ 55,634	\$ 98,164	Bobcat
Slope Mower			
5640200 Computer Hardware	\$ 1,500	\$ 2,000	33.33%
Desktop Computer (2 replacements & laser Printer)	\$ 1,500	\$ 2,000	
5640300 Computer Software	\$ 2,500	\$ 2,500	0.00%
Capital Outlay	\$ 338,634	\$ 353,664	4.44%
5700001 Debt Service	\$ -	\$ -	
5990011 Reserves	\$ 1,654,906	\$ 1,831,129	10.65%
Emergency Reserves	\$ 262,103	\$ 268,484	2.43%
Capital Outlay Reserves	\$ 261,897	\$ 261,897	
Operating Reserves	\$ 261,898	\$ 53,757	
Pipe & Outfall Reserves	\$ 261,964	\$ 25,321	
OPEB Reserves	\$ 94,336	\$ 80,451	-14.72%
Net Pension (FRS) Reserves	\$ 512,709	\$ 1,141,219	122.59%
TOTAL PROJECTED EXPENSE	\$ 4,456,200	\$ 4,705,804	5.60%
3400000 CHARGES FOR SERVICE	\$ 2,384,346	\$ 2,416,125	1.33%
3200000 Licensing & Permits	\$ 30,000	\$ 40,000	33.33%
3600000 Interest	\$ 25,000	\$ 50,000	100.00%
3650000 Other Income			
3013000 Balance Forward - Operating	\$ 2,016,854	\$ 2,199,679	9.06%
TOTAL PROJECTED REVENUE	\$ 4,456,200	\$ 4,705,804	5.60%

Attachment

7

MELBOURNE-TILLMAN WATER CONTROL DISTRICT

MINUTES

February 28, 2023

CALL TO ORDER

The regular scheduled meeting of the Melbourne-Tillman Water Control District (MTWCD) Board of Directors was called to order by Phil Weinberg, President on Tuesday, February 28, 2023 at 9:00 AM in the City of West Melbourne Council Chambers, Veterans Memorial Complex, 2285 Minton Road, West Melbourne, Florida.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the Flag was recited by all present.

ROLL CALL

The following Board Members were present:

Philip Weinberg, Board President
Joe Hale, Vice President
Drew Powshok
Don Jordan
Brant Hoffman
Keith Jerdon

Absent: Jay Woltering

Also present:

Debbie Leclair, District Manager
Lisa Blackett, Assistant Manager/Administration/Secretary/Treasurer
Jim Beadle, District Attorney

RECOGNITION OF GUESTS/VISITORS/STAFF

Mike McCabe, District Engineer
John Gergen, Assistant Manager/Operations
Rick Nipper, In-Coming District Manager
George Rainbolt, In-Coming Assistant Manager/Operations
Anthony Ojukwu, Bowman Consulting

ANNOUNCEMENTS

The District Manager announced Rick Nipper began employment with the District on February 14, 2023 and will become the District Manager on March 1, 2023. She added Shane Morris was hired on January 9, 2023 to fill the opening in the Facility Maintenance Group and the Assistant Manager of Operations position created by John Gergen's retirement on March 31, 2023 will be filled on April 1, 2023 by George Rainbolt, the Facility Maintenance Group Leader who was promoted.

PUBLIC COMMENTS

None

PRESENTATIONS

Anthony Ojukwu with Bowman Consulting requested a variance of a District's required 0.08 CFS discharge rate to allow a 0.610 CFS discharge rate for a residential development project he is designing in Palm Bay. Mr. Ojukwu cited obstacles presented by the property include set-backs and building regulations required by the City of Palm Bay as part of his request. He advised the design has been changed several times to reduce the discharge rate from 1.72 CFS to 0.610 CFS but he has been unable to meet the required 0.08 CFS. The District Engineer explained the 0.61 CFS significantly exceeds the District's discharge rate and could cause problems in the future. The President added the requested 0.61 CFS discharge rate not only exceeds the District's 0.08 CFS but could cause a dangerous situation and set a bad precedent. Brandt Hoffman concurred. The President asked for a motion from the Board. Brandt Hoffman **motioned to deny the permit.** Keith Jerdon **seconded the motion.** The Board **voted 6-0 to deny the permit.**

Keith Jerdon addressed the Board as a resident of Westbrook subdivision (Westbrook). In addition to Mr. Jerdon, the following residents spoke about their experience with flooding issues:

- Emily Reemelin of 2797 Whistler Street,
- Susan Luisi of 2609 Ventura Circle,
- Leigh Ann Wills of 2799 Whistler Street,
- Gary Stebbins of 720 Whidbey Street,
- Helen Voltz of 778 Wyeth Street, Westbrook HOA President,
- Tom Torok of 2680 Bradford Drive,
- Linda Ferrell of 2686 Bradford Drive,
- Alan Loeper of 805 Whidbey Street,
- Susan Redmond of 2800 Whistler Street,
- Andrea Young of 728 Wyeth Street, West Melbourne City Councilwoman
- Karen Cotter of 2713 Madrigal Lane

Councilwoman Adams presented information on two projects the City of West Melbourne will complete to reduce the flooding risk in Westbrook. She added the first project is funded by a \$460,000 grant to divert water from the northwesterly Westbrook retention pond and the District's C-70 canal to the C-62 canal via 1200 linear feet of 54" RCP pipe from a new 60" x 45" concrete outfall structure. Ms. Adams continued that the second project would upgrade C-70 and C-63 at a cost of \$730,000 by constructing a box culvert under Minton Road and replace seven existing culverts with box culverts to improve the flow in C-63 further reducing the flooding risk for the 547 homes in Westbrook. Councilwoman Adams stated the funding for the second project will be considered during the legislative session but all indications were that it would be approved with the support of Representative Randy Fine and the local delegation.

Pat Bentley, City of West Melbourne Councilman stated the first planned project should be complete within eighteen months and according to the meetings with Representative Fine, the grant for the second project should be funded this year. Mr. Bentley shared his experiences with flooding added he did not understand the reasons the District Manager stopped the Westbrook HOA from pumping but he would like the District to reinstate the usage of pumps for one to two years until both projects are completed.

Keith Jerdon recapped that Westbrook needs to pump the lake levels down before a storm. He stated that Melbourne Tillman Water Control District's (MTWCD/District) procedure is to

have two pumps placed at Calvary Chapel to be operational however, one of the pumps was removed as its lease had expired. Mr. Jerdon said that when Westbrook residents were told the pumps had to be shut down they were terrified. He stated he would suggest a Board motion made to have an engineering study performed to identify the Westbrook flooding issues. The Board President asked the District Attorney if Mr. Jerdon could make a motion since he has a personal stake in the issue. The District Attorney advised that Mr. Jerdon cannot make a motion, but can ask another member of the Board to make a motion. The President asked the District Manager and the District Engineer to address the resident's concerns and explain what the District has done to reduce the flooding risks.

The Manager explained the pumping was stopped because it was not permitted per policy and was found to be causing issues downstream. She stated the District has a policy in place to permit all discharges into the canal within allowable discharge rates and provided the applicant has also obtained a permit from St. John's Water Management District (SJRWM). The Manager stated the Westbrook HOA could apply for a permit, demonstrate their pumping discharge rate meets the District's requirements and continue using their pumps as long as doing so did not adversely affect District operations.

The Manager explained the District owns two hydraulic pumps and has leased a third one only as a backup in the event one of the District's pumps fail. She said District staff install the pumps at the beginning of the hurricane season one on C-70 and the second on C-69 at Norfolk, they are manned and fueled by staff, and are turned on prior to a storm event as the District begins a slow drawdown of the system in accordance to SJRWMD regulations.

The District Engineer stated he was not employed with MTWCD until 2014 but was the Engineering Manager for the City of Palm Bay during Tropical Storm Fay (Fay) and can attest that every area also flooded because Fay was an event that is not designed for and the District's responsibility is to keep the water flowing during an event. The Engineer added that improvements made to the C-69 Basin included the removal of the residential driveways that created restrictions downstream of C-70, upgrades were made to the culverts at Eber Road and Sunset Boulevard and the hydraulic pumps were utilized.

The District President asked the District Engineer if he had reviewed the grant applications for the two projects presented and he said he had not. He added that once he heard the details, he began updating the model on the C-62 Basin to be certain the area around June Park Police Foundation off Milwaukee Road, adjacent to C-62 would not be negatively impacted by the additional discharge into C-62 from the project.

The District Engineer stated he ran the model with C-70 dry (elevation 22) and the ponds in Westbrook were at elevation 24, in a free tailwater condition which allows the water from their ponds to enter the system without restriction. The model highlighted the areas where flooding could occur. He added the data was from the original plans and did not take into consideration the spreading of flooding or sheet flow between lot lines. The Engineer presented a map that depicted his findings based on a 9" rain event, and storms like Fay exceed the design.

Joe Hale asked the District Engineer if he reviewed the geo-technical report before the homes were built and what was the wet elevation given in that report. The Engineer stated he had reviewed the report and the wet season elevation was between 26 and 27 elevation (NGVD) and the ground water in some cases were above the natural grade but the over all natural level was at 25 which would allow for seepage from the ground water into the ponds which do not absorb as the grounds are clay. The Engineer added he did not have the data on the finished floor elevations but was using design data and information from SJRWMD.

Mr. Jerdon stated the neighborhood had no flooding issues until the structures at Calvary Church were installed. He said he has asked for District staff to visit the area during a high

rain event but nobody from MTWCD has done so. Additionally, he said the District policy no longer permits the twin barrel structures used at the Church because they are not the proper structures. Drew Powshok, stated that changes to the District's permit policy to ban the use of twin pipes as culverts stemmed from safety concerns created by debris from a storm event blocking the pipes and the staff effort required to remove it.

The Manager reminded him that she, the District Engineer and the Assistant Manager of Operations were there during Ian and met with Mr. Jerdon in the heavy rain, lifted a storm drain in the community to reveal over three feet of available capacity and noticed Mr. Jerdon's neighbors were using their reclaimed water during the storm causing seepage from the yards onto the sidewalk. The Engineer performed a dye test which revealed the unpermitted discharge from Westbrook's pumping produced such heavy volume it prohibited the permitted discharge from Sunset Subdivision from flowing causing flooding. The Manager added the District has spent an exorbitant amount of funds specifically for Westbrook which equates to a very large expense for a very small budget. Numerous people spoke from the audience simultaneously about the expenses the Westbrook HOA has also incurred.

Mr. Jerdon asked if District staff could contact SJRWMD to help apply for the permit and Mr. Powshok reminded him the District owns the canals but does not own the pipes or structures that go into or over the canals. He said it is the responsibility of the owner, in this case the HOA, to obtain the permits and the District does not get involved in that process.

The Board took a short recess at 11:02 am and returned the meeting to order at 11:25 am.

The District Attorney said that he advised Mr. Jerdon to speak off of the dais because although elected members of a board are allowed to participate in the discussion even if there is a conflict of interest, appointed members are not. He added that since there was a possibility of a vote and discussion about a motion or vote, allowing Mr. Jerdon to participate would have crossed the line.

REGULAR BUSINESS

The Board President presented the minutes from the December 6, 2022 Board of Director's meeting for Board approval. Don Jordan **motioned to approve the minutes**. Joe Hale **seconded the motion**. The Board **voted 6-0 to approve the motion**.

The Board President presented the minutes from the January 11, 2023 Workshop meeting for Board approval. Brant Hoffman **motioned to approve the minutes**. Joe Hale **seconded the motion**. The Board **voted 6-0 to approve the motion**.

The Board President presented the minutes from the February 1, 2023 Special meeting for Board approval. Brant Hoffman **motioned to approve the minutes**. Don Jordan **seconded the motion**. The Board **voted 6-0 to approve the motion**.

The Board President presented the Operating Statement through September 30, 2022 for Board approval. Drew Powshok **motioned to approve the Operating Statement through September 30, 2022**. Joe Hale **seconded the motion**. The Board **voted 6-0 to approve the motion**.

NEW BUSINESS

The District Manager presented District Policy P-113 revisions to change the time allowed for public comments from five minutes to three minutes. The President stated that he wanted to propose a change from "strictly limits comments to three minutes" be changed to "can be extended at the discretion of the Board President". After discussion, Don Jordan **motioned to remain at 5 minutes**. Keith Jerdon **seconded the motion**. The Board **voted 6-0 to approve the motion**.

The Manager presented a request to approve a wage adjustment for all District Employees increasing the District's pay scale from the current minimum of \$12 to \$13/hour and increase all employees by \$1.00 per hour. She added the increase would be within the current budget and would help the District transition to the increased minimum wage of \$15/hour. The Manager added the City of Palm Bay increased their minimum wage to \$17/hour and she was concerned with employee retention. The Board President concurred elaborating on the difficulties of competing with the private sector for value employees. The Manager stated the increase would be effective April 1, 2023. Joe Hale added it was wise to get ahead of the wage increases. Brant Hoffman added that WaWa is starting new employees at \$16/hour. Drew Powshok **motioned to raise the employee pay as presented today beginning April 1st. Brant Hoffman seconded the motion. The Board voted 5-1 to approve the motion. Keith Jerdon voted against.**

The Manager requested approval for the District Manager to have discretionary approval for right of way access for special circumstances. She added the request stemmed from a tree on C-62 that is dangerously leaning towards homes and since the Board meetings are held every other month, there are emergency situations that need immediate attention. Drew Powshok stated that the changes would be to waive the permit fee and allow the Manager to approve in an emergency but that all permitting policies would be followed. Brant Hoffman added he thinks they should have to pay the fee, just that we are fast tracking the permit. The President felt enforcing the permit fee would be punitive in an emergency situation. Mr. Jerdon added in this case, taking the tree down before it becomes a problem for the District as well. Drew Powshok **motioned to grant the Manager special authorization to allow them to fast track the permit and withhold the fees for the noted tree emergency condition and bring back language to give the Manager authorization to fast-track permits and withhold fees in an emergency condition. Don Jordan seconded the motion. The Board voted 6-0 to approve the motion.**

BUDGET

The Manager requested approval to take \$1000 from Account #5450000, Insurance to apply to Account # 5320100 Accounting and Auditing for the current fiscal year to cover the increased cost of the 2022/2023 fiscal year audit based on the current 5-year engagement letter with Carr, Riggs & Ingram the cost for fiscal year 2022 is \$14,000. Joe Hale **motioned to allow the budget transfer. Drew Powshok seconded the motion. The Board voted 6-0 to approve the motion.**

MANAGER'S REPORT

The Manager reported to date the District has been reimbursed \$538,822 of the \$1,011,976 agreement from the SOIRL program and have completed canals 21, 14, 20 and 13. The District has not been reimbursed for C-13 yet and work on C-12 will begin next.

The Manager reported that the District received the dump truck ordered in December 2021 (FY 2021/2022 budget) at a cost of \$147,929 as well as the long reach excavator ordered in March 2022 (FY 2021/2022 budget) at a cost of \$190,660.80 that was purchased with the proceeds from the sale of the Berky Dredge.

The Manager reported the struggle with repairs on the aquatic harvester continues as the props were replaced, the machine was put back into service and broke down with electrical issues. She stated to date the District has spent \$127,000 on parts and labor on repairs and staff would like to consider putting it up for sale and dip the canals. Drew Powshok

asked if when it was operational, was it effective and the Manager said it is efficient but the size is prohibitive. Mr. Powshok suggested purchasing another model. The Manager stated the cost of the repair for the electrical issues is not known but that she would explore the option to sell it and advise the board. Drew Powshok made a **motion to have the Manager look into the option of auctioning off the harvester by discussing with St Johns as needed and the other conditions.** The President stated that **then it would be brought back to us.** Don Jordan **seconded the motion.** The Board **voted 6-0 to approve.**

ENGINEER'S REPORT

The Engineer requested support to require replacement of multiple non-functioning crossings that do not meet the flow capacity of a 25-year storm event instead of lining the pipes. The Engineer stated that some of the proposed lined pipes on C-20 will be upgraded to box culverts when Malabar Road is widened and lining would be appropriate there. The District Engineer added that some of the pipes being considered are currently undersized per District policy and cause flooding issues. The President added each structure should be on a case-by-case basis. The Engineer added the pipe lining could restrict flow by as much as a 1" all the way around for a 60" pipe. Drew Powshok stated if the applicant's pipe is failing or doesn't meet the requirements of the original permit the applicant will be given the option to repair it or lose the pipe per policy. Mr. Powshok reiterated his support for the Engineer to identify substandard permits and demand repair or removal.

The Engineer announced that Dr. Jacoby of SJRWMD recently provided an update on the C-1 Rediversion pumping from October to December of 2022 with over 81,000 pounds of nitrogen was pumped out west and 1,900 pounds of phosphorous were removed. He added to compare, the District has removed 26,400 pounds of nitrogen and 4100 pounds of phosphorous using the harvester and SOIRL. The Engineer said the Friends of Turkey Creek advocates have expressed concern about herbicide usage and the breakdown of the vegetation releasing nutrients back into the water column

The Engineer updated the Board that he has been trying to find funding to have the seawalls examined for corrosion and to study what would happen if the 10- year storm would blowout the structure as part of the resiliency study. Drew Powshok asked if the repairs to the erosion on the dam walls were working and the Assistant Manager/Operations said he had not noticed any issues so far. The President asked the Engineer if he had any idea what the cost would be and he said \$40,000 - \$45,000 which included a review of the models to see if it would over top in different storm scenarios, including the 5 ft storm surge creating a tail water condition in Turkey Creek which would prohibit flow through the creek.

ASSISTANT MANAGER/OPERATIONS REPORT

The Assistant Manager of Operations reported that Heavy Equipment has completed canals 20 and 13 for the SOIRL program and removed trash, weeds and vegetation from C-1 at the Emerson Drive tough boom and has been repairing washouts in preparation of hurricane season. The Assistant Manager of Operations said the Aquatics Group has treated canals 5-9, 9R, 37 and the C-82 basins and are working in the C-10 basin. He stated the Facility Maintenance group has been de-trashing and cutting back pepper trees throughout the District and have completed the exterior painting of the District office and break trailer. The Assistant Manager of Operations reported the mowers have completed the C-10, C-9R, C-37 and the C-82 basins.

ATTORNEY'S REPORT

None

SECRETARY/TREASURER'S REPORT

The Secretary/Treasurer updated the Board that the \$56,402 contracts in dispute with FEMA have been approved along with an additional \$6300 materials cost that were validated. The President stated he is pleased the District will receive the funds. She also said the Audit report is completed and will be presented at the April 25th Board meeting.

CLOSING

The Board President stated that the next Board meeting would be Tuesday, April 25, 2023 at 9:00 AM in the City of West Melbourne Council Chambers, Veterans Memorial Complex, 2285 Minton Road, West Melbourne, Florida.

DIRECTOR'S REPORTS

Joe Hale – Stated that he wanted to thank the Manager for all she has done for the District and expressed he will miss her as a Manager. He added there were interesting times in the past that proved to be a team effort and he appreciated how it worked out. The Manager thanked him

Brant Hoffman – None

Keith Jerdon – None

Don Jordan – Stated a week ago, he discovered a truck parked in the right of way taking down a tree. He advised them they could not use the right of way only to be told they were not bothering anybody. The Manager was notified when she arrived, she told them they were trespassing and informed them of the permit policy but the situation escalated. The Manager notified the Palm Bay police who sent officers to the scene. After speaking with their Sargent, the officer stated there was not an affidavit for trespassing in that area so the company could stay. The Manager contacted PBPD Sgt Farmer who had the trespass affidavit. Mr. Jordan stated he returned at 6 pm and the trucks from Mr. George Tree Service were still there.

Drew Powshok – Wanted to thank the Manager for her years of service to the District and say he was going to miss her. He also thanked the Assistant Manager of Operations for his service as well since this would be the last meeting before he retires.

Jay Woltering - Absent

Philip Weinberg –The Board President presented the District Manager with an award for her retirement for her 26 years of service to the District. He expressed that promoting her was a great decision and she had done an outstanding job. The Manager thank everyone for their support and encouragement. The President also presented the Assistant Manager of Operations with an award for his retirement for 16 years of service with the District. He added that he has done a great job and will also be missed. The Assistant Manager of Operations thanked everyone for their well wishes and appreciates all the District has done for him.

ADJOURN

Phil Weinberg, President, adjourned the meeting at 12:37 pm.

Respectfully,

Lisa Blackett
Secretary
Board of Directors

Attachment

8



MELBOURNE-TILLMAN WATER CONTROL DISTRICT
 Operating Statement through March 31, 2023

	Actual \$	FY 2023	Approved Budget	FY 2023	Over/Under	Percentage
	To Date	Approved Budget	Adjustment	Modified Budget	Budget	Budget
Revenue						
User Fees	\$ 1,980,700	\$ 2,384,346		\$ 2,384,346	\$ (403,646)	83%
Permits	\$ 59,720	\$ 30,000		\$ 30,000	\$ 29,720	199%
Miscellaneous Income	\$ 77,294	\$ 25,000		\$ 25,000	\$ 52,294	309%
Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	
State Grant - FEMA	\$ 7,786	\$ -		\$ -	\$ 7,786	100%
Federal Grant - FEMA	\$ 140,148	\$ -		\$ -	\$ 140,148	100%
Intergovernmental Revenue	\$ 406,133	\$ -		\$ -	\$ 406,133	100%
Revenue	\$ 2,671,781	\$ 2,439,346	\$ -	\$ 2,439,346	\$ 232,435	110%
Balance Forward		\$ 2,016,854		\$ 2,016,854	\$ (2,016,854)	0%
TOTAL INCOME	\$ 2,671,781	\$ 4,456,200	\$ -	\$ 4,456,200	\$ 1,784,419	60%
Expenses						
Salary & Benefits						
Salaries	\$ 579,775	\$ 1,135,662		\$ 1,135,662	\$ 555,887	51%
Health Insurance	\$ 133,408	\$ 280,506		\$ 280,506	\$ 147,098	48%
Retirement	\$ 57,769	\$ 139,719		\$ 139,719	\$ 81,950	41%
FICA/Medicare	\$ 43,033	\$ 86,878		\$ 86,878	\$ 43,845	50%
Workers' Comp	\$ 11,134	\$ 31,091		\$ 31,091	\$ 19,957	36%
SALARY & BENEFITS	\$ 825,119	\$ 1,673,856	\$ -	\$ 1,673,856	\$ 848,737	49%
Operations						
Professional Services	\$ 28,504	\$ 52,100	\$ -	\$ 52,100	\$ 23,596	55% <i>Legal, Drug Testing, Accounting & Court Reporting, Engineering Testing, Miscellaneous Professional Services</i>
Contract Services	\$ 3,273	\$ 7,720		\$ 7,720	\$ 4,447	42% <i>Uniforms, Garbage Service</i>
Travel	\$ 20	\$ 2,000		\$ 2,000	\$ 1,980	1% <i>Travel</i>
Communications	\$ 4,704	\$ 10,300		\$ 10,300	\$ 5,596	46% <i>Postage, Telephone Service</i>
Utilities	\$ 3,466	\$ 8,000		\$ 8,000	\$ 4,534	43% <i>Utility, Solid Waste Assessment</i>
Rentals	\$ 4,159	\$ 11,500		\$ 11,500	\$ 7,341	36% <i>Rentals</i>
Liability Insurance	\$ 100,434	\$ 101,927		\$ 101,927	\$ 1,493	99% <i>Insurance</i>
Repair & Maintenance	\$ 88,302	\$ 171,370	\$ -	\$ 171,370	\$ 83,068	52% <i>Repair & Maintenance Service, Repair & Maintenance Supplies, Auto & Equipment Parts, Maintenance Agreements</i>
Current Charges	\$ 50,159	\$ 49,687		\$ 49,687	\$ (472)	101% <i>Tax Collector, Bank Fees, Lic & Permits, Advertising, Unemployment</i>
Office Supplies	\$ 3,974	\$ 6,000		\$ 6,000	\$ 2,026	66% <i>Office Supplies</i>
Operating Supplies	\$ 115,523	\$ 361,500	\$ -	\$ 361,500	\$ 245,977	32% <i>Operating Supplies, Fuel, Gas & Oil, Aquatics</i>
Books & Training	\$ 2,781	\$ 6,700		\$ 6,700	\$ 3,919	42% <i>Books, Pubs., Memberships, Training Costs</i>
Restricted Reserves	\$ -	\$ 1,654,906		\$ 1,654,906	\$ 1,654,906	
OPERATIONS	\$ 405,298	\$ 2,443,710		\$ 2,443,710	\$ 2,038,412	17%
Capital Outlay						
Improvements Other than Machinery	\$ 18,239	\$ 75,000		\$ 75,000	\$ 56,761	24%
Machinery	\$ 380,364	\$ 259,634		\$ 259,634	\$ (120,730)	146%
Computer Equipment	\$ 210	\$ 1,500		\$ 1,500	\$ 1,290	14%
Computer Software	\$ -	\$ 2,500		\$ 2,500	\$ 2,500	0%
CAPITAL OUTLAY	\$ 398,813	\$ 338,634	\$ -	\$ 338,634	\$ (60,179)	118%
TOTAL EXPENSE	\$ 1,629,230	\$ 4,456,200	\$ -	\$ 4,456,200	\$ 2,826,970	37%

Attachment 9

III. AUTHORITY

- 1) A copy of all laws relating to the operating of the District is available for public inspection at the District's office located at 5990 Minton Road, Palm Bay, Florida and on its website at the following link: <http://www.melbournetillman.org/special-district-information/>.
- 2) The Board of Directors of the Melbourne-Tillman Water Control District is authorized under Chapter 2001-336 House Bill No. 1115, Laws of Florida, and amended as listed below:
 - Chapter 2003-334, Laws of Florida,
 - Chapter 2010-153, Laws of Florida,
 - Chapter 2019-175, Laws of Florida.

The District shall possess the full power and authority to implement, finance, and operate existing Surface Water Management System, facilities and those to be constructed within the jurisdiction of the District, subject to being granted all permits required by the laws, rules, and regulations of federal, state, and regional regulatory agencies.

- 3) The District shall have the right to authorize any development within the District boundaries to meet established requirements for discharges to primary, secondary, and tertiary drainage facilities that collect and convey surface water to the Surface Water Management System. All non-single family residential lands proposed for improvement shall submit an application, plan, and stormwater management report for review, in accordance with fee schedule for determination for discharge requirements.

IV. POLICY STATEMENT CONCERNING THE DISTRICT'S PERMITTING CRITERIA

- 1) No permits will be issued for any use that adversely affects, interferes with, or imposes hardship upon the District's Surface Water Management System to included its operations, maintenance or construction activities; or degrades the quality and quantity of the District waters, or is inconsistent with the water control plan of the District.
- 2) The District requires individuals or entities' wishing to utilize the District's Surface Water Management System to obtain approval before any activity begins. Construction on, modifications, and/or use of the rights-of-way without obtaining prior District approval is unauthorized and in violation of Sections 22 and 23 of Chapter 2001-336, Laws of Florida. The District reserves the right to remedy violations to the full extent of the law. The Manager will report the scope of all unauthorized activity to the District's Board of Directors at the next scheduled meeting for consideration of remedial action necessary by the District to recover losses associated with any unauthorized activity.
- 3) The owner of an issued MTWCD permit must submit approved stamped plans from the jurisdictional entity prior to commencement of construction improvements within the District's Surface Water Management System.
- 4) The District reserves the right to change, regulate and limit discharges into or withdrawals from the District's Surface Water Management System, amend or change any of its policies, practices, procedures, or regulations. Such action shall not constitute any claim for damages nor become the basis for legal suit by any Permittee.

- 5) All permits involving parallel use or temporary access of the District rights-of-way, and all other proposed uses that the District Manager determines require approval from the Board of Directors shall only be issued following the approval of the application, and by the Board of Directors with appropriate limiting conditions and/or formal Agreements.
- 6) Use of Right-of-Way as Temporary Access – MTWCD does not permit right-of-way use not listed in the fee schedule shown in this Permit Policy manual. All requests for a variance to use MTWCD’s right-of-way as temporary vehicular access will be considered on an individual basis. Board of Directors approval is required for uses of right-of-way.
 - a) **The District Manager has the authority, under special circumstances to approve the Temporary use of the District’s Right-of-Way and waive applicable fees as deemed appropriate.**
 - b) Prior to using District’s Surface Water Management System as temporary access, the property owner must submit an application with applicable fee (non-refundable), for staff review and consideration by the Board of Directors.
 - c) Applicants must demonstrate a substantial hardship or a public purpose and must provide assurances that infrastructure and maintenance functions will not be harmed.
 - d) If approved by the Board of Directors, applicable permit and right-of-way use fees will be applied and must be submitted prior to permit issuance.
 - e) The District’s fee of \$30.00 per linear foot applies and upon completion of use and satisfactory restoration of right-of-way \$15.00 per linear foot will be returned to the applicant.
 - f) The applicant will indemnify and hold harmless MTWCD from any damages resulting from the use of the right-of-way. Proof of minimum of \$1,000,000.00 liability must be furnished with the District listed as an additional interest.
 - g) During the permit duration for temporary use of right-of-way, the permit may be terminated immediately at the sole discretion of the MTWCD District Manager or Board of Directors.
 - h) Right-of-Way Temporary Access permits shall not exceed 6 months duration from date of issuance. Extensions must be requested in writing, with submission of a \$250.00 Administrative Review Fee.
 - i) Temporary Access for the design purposes of subsurface investigation to include geotechnical data collection and utility depth identification, e.g. hydro-excavation (potholing), must require authorization from the District Manager or designee prior to entering the lands of the District.

V. GENERAL INFORMATION

- 1) All properties, within the District Boundary, which propose development of a commercial, subdivision, multi-family, multi-use or other improvement other than single family residential must submit an application with applicable fee, plan, and stormwater management report for compliance with the stormwater discharge rate identified in Section VIII(1). A permit must be obtained by any person, company, corporation,