

**HARBOUR WATERWAY SPECIAL DISTRICT
RESOLUTION 2025-06**

**A RESOLUTION REQUESTING THE CITY COUNCIL OF JACKSONVILLE TO
APPROVE THE ANNUAL BUDGET OF THE HARBOUR WATERWAY SPECIAL
DISTRICT FOR THE FISCAL YEAR; PROVIDING AN EFFECTIVE DATE OF
MARCH 31, 2025.**

WHEREAS, the Harbour Waterway Special District (the "District") was established per City of Jacksonville Ordinance 2010-725 E and Section 189.02, Florida Statutes; a dependent special district for the purpose of maintaining the system of canals located in the Harbour, Harbour North, Harbour Cay, and Harbour Island neighborhoods; and

WHEREAS, the Board is required to annually submit its budget to the City of Jacksonville for final approval or rejections pursuant to Section 2(6) of Chapter 86-392; and

WHEREAS, the Board of District Supervisors (the "Board"), the governing body of the District, has reviewed and approved the budget attached as Exhibit "A" to this Resolution for the 2025 - 2026 fiscal year.

NOW THEREFORE BE IT RESOVED by the Board of the District as follows:

Section 1. The Board hereby approves the FY 2025 - 2026 District Budget attached as Exhibit "A" to this Resolution for submission to the Jacksonville City Council.

Section 2. Effective Date. This Resolution shall become effective on March 31, 2025.

DULY ADOPTED AND APPROVED this 7th day of April, 2025, by the Board of the District.

BOARD OF SUPERVISORS FOR THE
HARBOUR WATERWAY SPECIAL DISTRICT



Wallace G. Lovely
Board Vice-Chair

Attest:



Robert P. Birtalan
Board Secretary

HARBOUR WATERWAY SPECIAL DISTRICT
Dependent Special District

Proposed Budget
Fiscal Year 2025 / 2026

March 31, 2025

HARBOUR WATERWAY SPECIAL DISTRICT
FISCAL YEAR 2025 - 2026 BUDGET
CASH FLOW ANALYSIS

31-Mar-25

DESCRIPTION	ACTUAL FY 2023/24	ACTUAL + 4th QTR EST. FY 2024/25	PROPOSED FY 2025/26 BUDGET	VARIANCE
OPERATING REVENUES				
Carry Forward Surplus	\$ 2,967,557	\$ 2,616,066	\$ 2,422,798	\$ (193,268)
Net Assessments	\$ 211,089	\$ 207,465	\$ 207,465	\$ -
- Tax Rebate - 50% refund on non-Ad Valorem Assessment	\$ (106,000)	\$ (103,375)	\$ (103,375)	\$ -
Spoil Site Disposal Fees	\$ -	\$ -	\$ -	\$ -
Boat Slip License Fees	\$ 6,825	\$ -	\$ 6,825	\$ 6,825
Interest Income	\$ 44,755	\$ 97,165	\$ 81,000	\$ (16,165)
Revenue Note Proceeds - Series 2018 (See Note 2)	\$ -	\$ -	\$ -	\$ -
Misc Income - Refund of Legal Fees; refund of taxes	\$ 1,522	\$ 189	\$ 189	\$ -
Total Revenues	\$ 3,125,748	\$ 2,817,510	\$ 2,614,902	\$ (202,608)
EXPENDITURES				
Professional Services				
Personnel Services includes temp labor	\$ 55,108	\$ 67,569	\$ 69,000	\$ 1,431
Federal Taxes; FICA; Unemployment Insurance	\$ 19,267	\$ 25,461	\$ 26,200	\$ 739
Legal Services	\$ 16,317	\$ 15,618	\$ 14,400	\$ (1,218)
Administrative Services	\$ 1,800	\$ 1,800	\$ 1,800	\$ -
Accounting & Audit Services	\$ 6,900	\$ 7,060	\$ 7,500	\$ 440
Administrative				
Office Supplies & Postage	\$ 752	\$ 444	\$ 600	\$ 156
Rental - Meeting Room	\$ 300	\$ 1,800	\$ 1,800	\$ -
Communication Services - Web Hosting	\$ 223	\$ 395	\$ 600	\$ 205
Legal & Promotional Advertising	\$ 46	\$ 308	\$ 450	\$ 142
Other Administrative Expenses	\$ 950	\$ -	\$ 600	\$ 600
Insurance - General Liability & Pollution	\$ 10,368	\$ 19,003	\$ 20,500	\$ 1,497
Publications and Memberships	\$ 2,175	\$ 2,175	\$ 2,175	\$ -
Property Taxes - Parcel 160259	\$ 5	\$ -	\$ -	\$ -
Interest Expense on Revenue Notes (See Note 2)	\$ 11,252	\$ 9,195	\$ 7,046	\$ (2,149)
Revenue Note Principal Payments	\$ 45,707	\$ 47,764	\$ 49,913	\$ 2,149
Total Professional & Administrative Expenditures	\$ 171,170	\$ 198,592	\$ 202,584	\$ 3,992
Canal Maintenance & Dredging Operations				
Dredging / Marine Contractor	\$ -	\$ -	\$ -	\$ -
Repair Bulkhead - COJ/JEA & Mill Cove Channel	\$ -	\$ -	\$ -	\$ -
Marine Surveyor	\$ 6,340	\$ -	\$ -	\$ -
Dredging Permits	\$ -	\$ -	\$ -	\$ -
Spoil Site Development Expenses	\$ 45,014	\$ 13,850	\$ 34,500	\$ 20,650
Reed Island Park & Recreation Development	\$ 41,042	\$ 73,391	\$ 572,500	\$ 499,109
Navigational Aids & Markers	\$ -	\$ -	\$ -	\$ -
Marine Engineering Consultant	\$ -	\$ -	\$ -	\$ -
Total Canal Maintenance & Dredging Operations	\$ 92,396	\$ 87,241	\$ 607,000	\$ 519,759
Capital Expenditures				
Purchase Office Equipment - PC	\$ -	\$ -	\$ -	\$ -
Purchase equipment as required	\$ 46,003	\$ -	\$ -	\$ -
Renovate Marina within the District	\$ 191,649	\$ 100,378	\$ 147,400	\$ 47,022
Purchase parcels adjacent to HWSD	\$ -	\$ -	\$ 25,000	\$ 25,000
Purchase Boat Slip License(s)	\$ -	\$ -	\$ -	\$ -
Purchase Tax Certificates	\$ 8,465	\$ 8,500	\$ 8,500	\$ -
Total Capital Expenditures	\$ 246,117	\$ 108,878	\$ 180,900	\$ 72,022
TOTAL EXPENDITURES	\$ 509,683	\$ 394,712	\$ 990,484	\$ 595,772
EXCESS REVENUES / (EXPENDITURES)	\$ 2,616,066	\$ 2,422,798	\$ 1,624,418	\$ (798,380)

NOTES:

		2023 / 2024 Actual	2024 / 2025 Projected	2025 / 2026 Projected
1 Non Ad-Valorem Assessment				
Residential Parcels				
Parcels adjacent to Waterway	105	\$ 210,000	\$ 210,000	\$ 210,000
Easements	7	\$ 5,000	\$ 5,000	\$ 5,000
Other Parcels	13	\$ 8,500	\$ 8,500	\$ 8,500
Harbour Waterway Special District (HWSD) parcels	6	\$ -	\$ -	\$ -
Marina - Owned & operated by HWSD	1	\$ -	\$ -	\$ -
TOTAL GROSS ASSESSMENTS	132	\$ 223,500	\$ 223,500	\$ 223,500
Less Early Payment Discount (avg 3.84%)		\$ (7,621)	\$ (8,582)	\$ (8,582)
Less PA and TC Discount (3.5%)		\$ (7,556)	\$ (7,522)	\$ (7,522)
Less Provision for Parcels in Default		\$ -	\$ -	\$ -
TOTAL NET NON AD-VALOREM ASSESSMENTS		\$ 208,323	\$ 207,395	\$ 207,395

2 Series 2018 Note is \$450,000 at 4.50% on a ten year term

3 Actual expenses and revenue thru March 31, 2025,
April thru June expenses are forecasted.

HARBOUR WATERWAY SPECIAL DISTRICT AMORTIZATION SCHEDULE

2018 Series - Principal Balance \$ 450,000 COUPON 4.500% Issue Date: 18-Apr-18

		PAYMENT DATE	INTEREST	PAID PRINCIPAL	TOTAL LOAN PAYMENTS	OUTSTANDING BALANCE
<u>2018 REVENUE NOTE</u>		18-Apr-18				\$ 450,000.00
FY 2018 / 2019	1	1-May-19	(20,981.25)	(35,977.65)	(56,958.90)	414,022.35
FY 2019 / 2020	2	1-May-20	(18,631.01)	(38,327.90)	(56,958.91)	375,694.45
FY 2020 / 2021	3	1-May-21	(16,906.25)	(40,052.65)	(56,958.90)	335,641.80
FY 2021 / 2022	4	1-May-22	(15,103.88)	(41,855.02)	(56,958.90)	293,786.78
FY 2022 / 2023	5	1-May-23	(13,220.41)	(43,738.49)	(56,958.90)	250,048.28
FY 2023 / 2024	6	1-May-24	(11,252.17)	(45,706.73)	(56,958.90)	204,341.55
FY 2024 / 2025	7	1-May-25	(9,195.37)	(47,763.54)	(56,958.91)	156,578.01
FY 2025 / 2026	8	1-May-26	(7,046.01)	(49,912.89)	(56,958.90)	106,665.12
FY 2026 / 2027	9	1-May-27	(4,799.93)	(52,158.98)	(56,958.91)	54,506.15
FY 2027 / 2028	10	1-May-28	(2,452.78)	(54,506.14)	(56,958.92)	0.00
			(119,589.05) \$	(450,000.00) \$	(569,589.05)	

HARBOUR WATERWAY SPECIAL DISTRICT

BUDGET SUPPLEMENT

FISCAL YEAR 2025 / 2026

REVENUES

325.200 Special Assessments

The District will continue to levy a non-ad valorem assessment in the gross amount of \$227,000 on all taxable parcels within the District to fund General Operating Expenditures. From the Gross Amount of the non-ad valorem assessment the following amounts are deducted: (1) Duval County offers an early payment discount which averaged 3.88% for FY 2024 / 2025; (2) The Duval County Tax Collector and Property Assessor charges a fee for services rendered in the amount of 2.0% and 1.5%, respectively. In 2020, HWSD added 16 parcels to the District of which at least 12 parcels will be assessed going forward.

As a result of the sale of excess capacity in the HWSD Spoil Site, the District refunded 50% of the non-ad valorem assessment from 2022 and 2023. The tax rebate program will continue as long as District continues to collect spoil site disposal fees in excess of the District's long-term needs.

362.000 Spoil Site Disposal Fees

HWSD offers disposal of dredge material in the HWSD spoil site to prospective special districts and homeowner associations in Duval County. HWSD sold 482,000 cubic yards of spoil material disposal to a local dredging contractor to service a number of their clients including Queens Harbour, Marsh Landing, Tarpon Cove Special District, St. Johns Landing Estates, and others. In addition, HWSD has signed a license agreement with Isle of Palms Special District in Duval County to deposit up to 300,000 cubic yards in the HWSD spoil site over the next fifteen years.

203.000 Revenue Notes

The District issued a Series 2018 Revenue Note totaling \$450,000 to refinance the outstanding balance of \$143,000 plus accrued interest on the Series 2012 & 2013 Revenue Notes to provide funds for projects. The Series 2018 Revenue Note was purchased by BB&T with a 10 year term at a 4.5% interest rate. The District used the surplus funds totaling \$305,085 to purchase approximately 44 acres of property from the City of Jacksonville to be used as a spoil site for dredging projects, perform maintenance on the spoil site, conduct dredging operations, and perform repairs to bulkheads owned by the District as required.

361.100 Interest Income

Excess Funds will be held in a non-interest bearing checking account at Truist Financial Corporation, "Truist", or invested with the Florida State Board of Administration.

Carry Forward Surplus

Excess Funds from prior years. The Carry Forward Surplus from FY 2024 / 2025 is projected to be \$2,422,798.

EXPENDITURES

PROFESSIONAL:

537.10 Personnel Services

The District employs a part time District Manager to run the day to day operations, manage the spoil site, manage Reed Island Park, operate and maintain a small marina, and manage eco restorations as required. Depending on the project, the District anticipates hiring part time employees for specific projects as needed.

537.311 Legal Services

The District's legal counsel, Wayne E. Flowers, will provide general legal services to the District, including attendance of monthly meetings, review of agreements, contracts, and resolutions.

537.312 Administrative Services

Other Administrative Expenses include fees charged to the HWSD to record, document, and publish all Board of Supervisor meetings and public hearings held by the District.

537.32 Accounting and Audit Services

The District is required by Florida Statutes to conduct an independent audit of its financial records by an Independent Certified Public Accounting Firm. The District has contracted with John Howard & Company, CPA to conduct the annual financial audit.

ADMINISTRATIVE:

537.41 Communication Services

Communication Services include fees required to host, develop, and maintain the HWSD.org website which provides online access to the District's official documents, including meeting minutes, agendas, reports, audits, etc.

537.42 Postage & Freight Services

Postage includes mailing of notices to the District, overnight deliveries, correspondence, etc.

537.44 Rentals and Leases

Rentals are fees associated with renting public meeting rooms to hold public hearings, committee meetings, and general meetings as required by the District.

537.45 Insurance – General Liability & Workman's Comp

The District's General Liability, Public Officials Errors and Omission Liability Insurance policy is with Florida Municipal Insurance Trust (FMIT) a service provided by the Florida League of Cities, Inc. Workman's Comp Insurance is also with FMIT. In addition, Evanston Insurance Company provides pollution/site environmental insurance for the spoil site.

537.47 Printing and Binding

Printing and Binding include fees to print and bind the District's official documents, including meeting minutes, agendas, reports, resolutions, contracts, etc.

537.48 Promotional & Legal Advertising

The District is required to advertise monthly Board of Supervisor Meetings, public hearings, and any services required to be advertised for public bidding, i.e. dredging contracts and other advertising that may be required in a newspaper of general circulation.

537.49 Other Current Charges

This item includes any expenses not included in other categories including Bank Fees & Charges

537.51 Office Supplies

This item includes any supplies required during the fiscal year, i.e. paper, file folders, labels, etc.

537.54 Publications & Memberships

Other Expenses include membership fees, dues and registrations for government agencies, i.e. Florida Department of Economic Development.

537.72 Debt Service Interest Expense

Interest charges on the Revenue Notes is based on the projected maximum outstanding balance for FY 2024 / 2025 equal to \$204,341. For FY 2024 / 2025, the annual accrued interest is equal to \$9,195.37.

203.900 Revenue Notes & Loans Payable

Principal Payments on the 2018 revenue note is on a (10) ten year term. Refer to the Amortization Schedule for payment schedule.

CANAL MAINTENANCE, DREDGING OPERATIONS, MARINA, AND REED ISLAND PARK:

537.301 Dredging / Marine Contractor

The HWSD 2024 Dredging Project began on June 10, 2024 and was completed on October 1, 2024. The District has plans to perform maintenance on the existing 1,500 feet bulkhead structure at the mouth of the canal system as required.

537.302 Marine Surveyor

The District contracts with marine surveyors to determine the amount of silting occurring in the canal system and approach channels.

537.303 Dredging Permits

In order to perform dredging operations, the District is required to secure permits from the U.S. Army Corp of Engineers and the Florida Department of Environmental Protections.

537.304 Spoil Site Expenses

During dredging operations, silt is removed from the channel bottom and pumped to an upland spoil site. Expenses to deposit the spoil, to perform maintenance on the spoil site, and expenses to acquire an upland spoil site are included in this item.

537.305 Navigational Aids & Markers

The HWSD maintains channel markers along our approach channel to mark the dredged channel for boaters.

537.306 Dredging / Marine Engineering Consultant

The District utilizes consultants to advise the Board on spoil site construction, dredging services, dredging technology, and marine construction for bulkheads and breakwaters.

537.307 HWSD Marina

The District owns and operates a Marina on the HWSD waterway, which will undergo renovations over the next year. The renovations will include a new bulkhead, upgraded security, new floating and fixed docks, and repaving the boat ramp.

537.308 Reed Island Park

The District owns and operates a public 82-acre primitive nature park on the St. Johns River, which will undergo renovations over the next year. The renovations will include a new bulkhead, new floating and fixed docks, and picnic pavilions.