



An Equal Opportunity Employer

# Southwest Florida Water Management District

2379 Broad Street, Brooksville, Florida 34604-6899  
(352) 796-7211 or 1-800-423-1476 (FL only)  
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On the Internet at [WaterMatters.org](http://WaterMatters.org)

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170 Century Boulevard  
Bartow, Florida 33830-7700  
(863) 534-1448 or  
1-800-492-7862 (FL only)

**Sarasota Service Office**  
6750 Fruitville Road  
Sarasota, Florida 34240-9711  
(941) 377-3722 or  
1-800-320-3503 (FL only)

**Tampa Service Office**  
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Hillsborough

**Randall S. Maggard**  
Pasco

**Blake C. Gullory**  
Executive Director

April 4, 2012

The Honorable Gary Breeden  
Chair, Board of County Commissioners  
Sumter County  
7375 Powell Rd.  
Wildwood, FL 34785

Subject: Comprehensive Annual Financial Report

Dear Chair Breeden:

The Southwest Florida Water Management District is pleased to announce that its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2011, has been posted to our web site at [www.watermatters.org](http://www.watermatters.org) under *Business & Finance* and is available for viewing and printing. This posting is in compliance with sections 373.5071 and 373.536(6), Florida Statutes, following adoption by our Governing Board.

Enclosed for your purposes is a printed copy of the CAFR. If you would prefer to receive a CD of the District's annual CAFR instead of a printed copy, please contact Spring Aikens at 352-796-7211, extension 4121.

Sincerely,

Daryl F. Pokrana  
Finance Bureau Chief

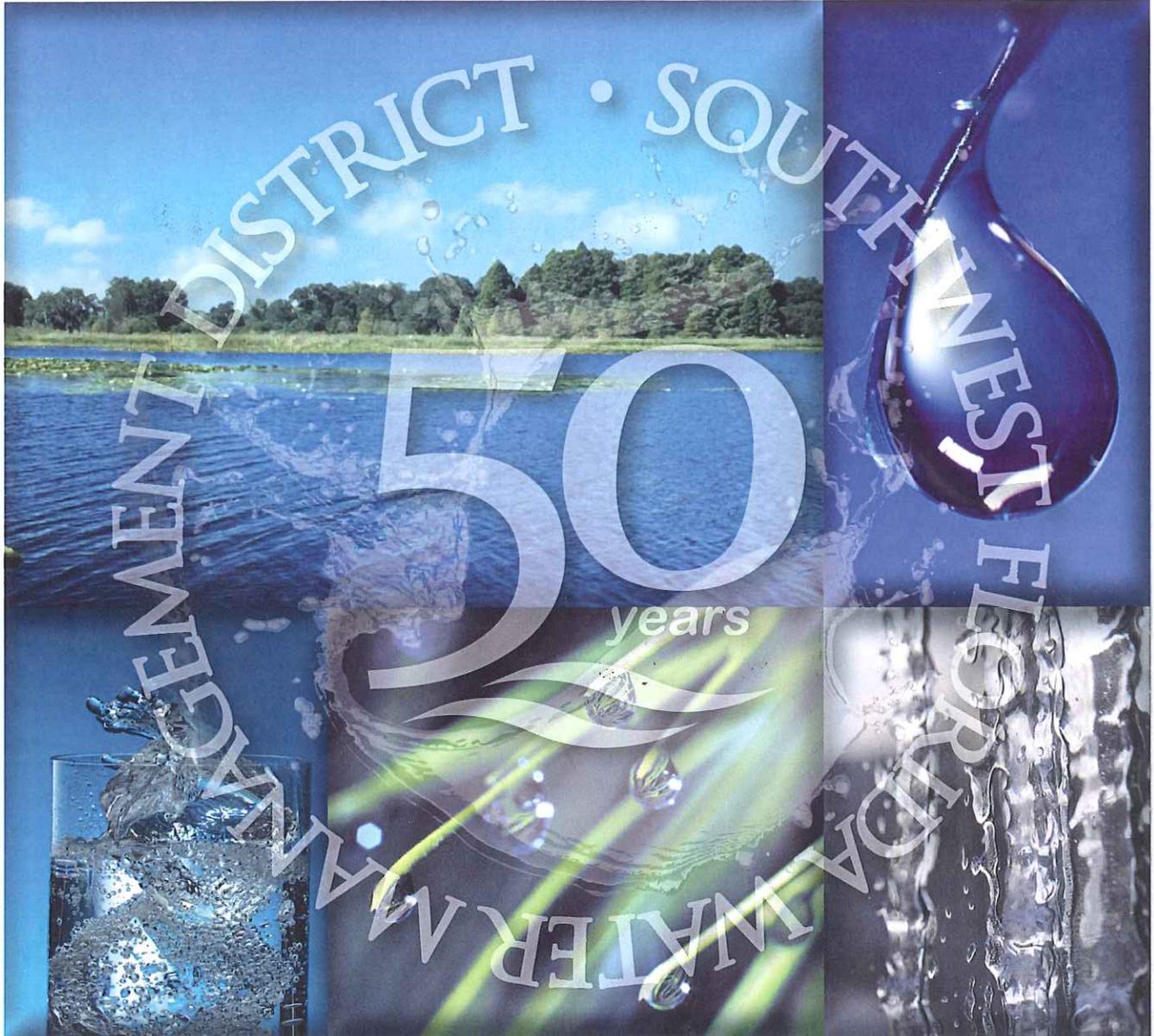
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Enclosure



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# Comprehensive Annual Financial Report

Fiscal Year Ended September 30, 2011



Southwest Florida  
Water Management District

WATERMATTERS.ORG · 1-800-423-1476



A Component Unit of the State of Florida

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

*Fiscal Year Ended September 30, 2011*

*Prepared by: Finance Bureau*

Southwest Florida  
*Water Management District*

WATERMATTERS.ORG · 1-800-423-1476

*A Component Unit of the State of Florida*

**Mission Statement:**

*The mission of the District is to manage water and related natural resources to ensure their continued availability while maximizing environmental, economic and recreational benefits. Central to the mission is maintaining the balance between the water needs of current and future users while protecting and maintaining water and related natural resources which provide the District with its existing and future water supply.*

*The Governing Board of the District assumes its responsibilities as authorized in Chapter 373 and other chapters of the Florida Statutes by directing a wide range of programs, initiatives and actions. These include, but are not limited to, flood protection, water use, well construction and environmental resource permitting, water conservation, education, land acquisition, water resource and supply development, and supportive data collection and analysis efforts.*

The Southwest Florida Water Management District (District) does not discriminate on the basis of disability. This nondiscrimination policy involves every aspect of the District's functions, including access to and participation in the District's programs and activities. Anyone requiring reasonable accommodation as provided for in the Americans with Disabilities Act should contact the District's Human Resources Bureau Chief, 2379 Broad St., Brooksville, FL 34604-6899; telephone (352) 796-7211 or 1-800-423-1476 (FL only), ext. 4702; TDD 1-800-231-6103 (FL only); or email [ADACoordinator@WaterMatters.org](mailto:ADACoordinator@WaterMatters.org).

**Southwest Florida Water Management District  
Comprehensive Annual Financial Report  
Fiscal Year Ended September 30, 2011**

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## Introductory Section

- Letter of Transmittal
- GFOA Certificate of Achievement
- Boundary Map
- District Organization Chart Listing Principal Officials



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March 27, 2012

- H. Paul Senft, Jr.**  
Chair, Polk
- Hugh M. Gramling**  
Vice Chair, Hillsborough
- Douglas B. Tharp**  
Secretary, Sumter
- Albert G. Joerger**  
Treasurer, Sarasota
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- Bryan K. Beswick**  
DeSoto
- Jennifer E. Closshey**  
Hillsborough
- Randall S. Maggard**  
Pasco
- Blake C. Guillory**  
Executive Director

To the Citizens of the Southwest Florida Water Management District:

The Comprehensive Annual Financial Report of the Southwest Florida Water Management District (District) for the fiscal year ended September 30, 2011, is hereby submitted.

State law requires that local governmental entities publish within 9 months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended September 30, 2011.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with U.S. generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, the information presented is accurate in all material respects, and is reported in a manner that presents fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's activities have been included.

KPMG LLP, Certified Public Accountants, have issued an unqualified opinion on the District's financial statements for the year ended September 30, 2011. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

The District encompasses approximately 10,000 square miles of a 16-county area in west-central Florida and is one of five regional water management districts charged by Chapter 373 of the Florida Statutes to preserve and protect the state's water resources.

## **About the District**

Approximately one quarter of the state's population (4.8 million) resides within the District. The District was established in 1961 by a special act of the Florida Legislature to serve as local sponsor of the Four River Basins, Florida Project. This was a major flood control project sponsored by the U.S. Army Corps of Engineers after Hurricane Donna caused extensive damage in west-central Florida in 1960.

The District's original mission was to protect people and property from flooding caused by tropical storms and other heavy rains. This was done in part by building structures to control high waters. The Tampa Bypass Canal, which diverts Hillsborough River overflow away from the flood-prone areas of Tampa and Temple Terrace, is the most prominent example of this water resources management responsibility.

Today's regional flood protection efforts remain an important element of the District's mission. Since the District was created in 1961, the demands of growth have resulted in additional responsibilities mandated of the District by the Florida Legislature. As delegated by the Florida Department of Environmental Protection (DEP), the District now authorizes permits for consumptive use of water, well construction, surface water management, and the protection of wetlands. Water supply, water resources development, and water quality are major concerns, and many projects with local, state and federal funding partners focus on ensuring adequate sustainable quality water for the future.

A 13-member Governing Board establishes the District's policies, oversees its regulatory responsibilities, administers contracts, hires the Executive Director subject to approval by the Governor and confirmation by the Florida Senate, and authorizes the tax levy for the District budget subject to review by the Governor. Each member is appointed by the Governor and confirmed by the Florida Senate. District Governing Board members serve staggered four-year terms, are eligible for reappointment, and serve as unpaid citizen volunteers.

The annual budget serves as the foundation for the District's financial planning and control. The Truth-in-Millage (TRIM) Act enacted by state legislation requires disclosure of information regarding the ad valorem millage rate and budget adoption. Each year, following the required disclosures, the conduct of two public hearings for taxpayer comment, and review by the Executive Office of the Governor for comments between the first and second hearings, the Governing Board sets the millage rates and adopts a budget in September. The appropriated budget is prepared by fund, department and activity. The Governing Board delegates authority to the Executive Director to execute transfers of budgeted funds not to exceed \$50,000, if no reserve funds are involved. Delegated transfers are presented to the Governing Board for approval at their next regular scheduled meeting. All transfers of funds from the contingency and other reserve accounts require prior Governing Board approval.

The District is authorized by the Florida Constitution and Florida Statutes to fund its general operations from ad valorem property taxes. The District Governing Board, with the approval of the Executive Office of the Governor (EOG), may levy up to one mill Districtwide to fund regulatory activities and projects of Districtwide significance. One mill equals \$1 of tax per \$1,000 of taxable property value. Funding for District programs is supplemented by District permit fees and by grants from federal and state governments.

## **The Reporting Entity**

The financial statements of the District include all operations for which the District is financially accountable.

The District is a component unit of the State of Florida for financial reporting purposes. The state has historically provided funding for District programs through the sale of state debt, sharing of documentary stamp tax revenues, and the approval of various annual grants and entitlements. State funding in recent years has been limited due to economic conditions.

The District's financial statements for the fiscal year ended September 30, 2011, will be incorporated into the State of Florida's financial statements for the state's fiscal year ending June 30, 2012, as a discretely presented component unit. Discretely presented component units are reported in a separate column in the basic financial statements to emphasize that they are legally separate from the primary government, which is the State of Florida, and to differentiate their financial position, results of operations and cash flows.

## **Factors Affecting Financial Condition**

**Economic Conditions and Outlook.** Conditions in the local economy affect the District's ability to generate revenues. District revenues are primarily derived from ad valorem taxes, which are based on the assessed value of real estate. Factors which contribute to changes in property values include population growth rates, employment and income.

Population growth is a key driver of Florida's economy as it brings to the state increased demand for goods and services. Between 2010 and 2011, the total permanent population for the District increased by approximately 78,000 residents or 1.66 percent. This is slightly lower in comparison to the pre-boom years of 2000 to 2001 percentage change of 1.75 percent for the District. The District's population is expected to steadily increase from the 2011 level at an average rate of 1.63 percent per year over the next 5 years. It is projected that by 2030, the District's population will grow from its current 4.8 million to 6.4 million people. Population growth will be a key element in the state's economic recovery as it provides for employment and income growth.

As of September 2011, nonagricultural employment in Florida is 7,253,900 jobs, which is up 93,500 jobs from the same time in 2010.<sup>1</sup> September was the twelfth consecutive month that the state has seen positive year-over-year jobs growth. Unemployment has declined slightly between 2010 and 2011 but remains at historically high levels. Florida's preliminary unemployment rate as of September 2011 was 10.6 percent, compared to 11.7 percent a year earlier.<sup>2</sup> The national unemployment rate for September 2011 is 1.5 points lower than Florida's at 9.1 percent. Of the 16 counties within the District, 13 counties have unemployment rates higher than the state and national averages, two counties have unemployment rates less than the state average but higher than the national average and one county (Sumter) has an unemployment rate less than the state and national averages. Despite the recent growth in jobs, coincident growth in the labor force will keep the level of unemployment persistently high and it is not expected to fall below 10 percent until sometime in the second half of 2013.<sup>3</sup>

Total per capita personal income in the District experienced an increase of 1.1 percent between 2010 and 2011 versus an increase of 1.39 percent for the state and 2.44 percent for the nation. By 2015, real per capita income in the District is projected to increase 1.51 percent over its 2011 level and remain slightly below the state projection of 1.57 percent. Counties with the highest

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<sup>1</sup> "Florida's 12-Month Job Growth Percentage Outpaces the Nation for the First Time Since 2007". Florida Department of Economic Opportunity. October 21, 2011. <http://www.floridajobs.org>. Accessed: November 3, 2011.

<sup>2</sup> "Regional and State Employment and Unemployment – September 2011". U.S. Department of Labor. October 21, 2011. Bureau of Labor Statistics, <http://www.bls.gov>. Accessed: November 3, 2011

<sup>3</sup> Florida Economic Estimating Conference. Florida Economy. September 9, 2011. Office of Economic & Demographic Research. <http://edr.state.fl.us>. Accessed: December 6, 2011

projected increases in real per capita income through 2015 are Marion (3.6 percent) and Hardee (3.45 percent).

The performance of the housing sector is mixed, which points to the anemic and likely drawn-out recovery of the sector. The statewide year-to-date sales volume of existing single family homes and condominiums increased 8 percent and 18 percent, respectively, between September 2010 and September 2011.<sup>4,5</sup> Counter to the recent increase in sales activity for existing homes, residential construction has declined relative to the previous year. Districtwide single-family residential building permit issuance in the first nine months of 2011 ending in September was down 2.96 percent from the same period in 2010.<sup>6</sup> Abundant home inventories, labor market conditions and increasing foreclosures have continued to place pressure on the dramatically impacted housing sector. Between September 2010 and September 2011 statewide year-to-date median sales prices of single-family homes and condominiums have each declined by 4 percent. Persistently high unemployment, frail growth in jobs and slow population growth, along with tight credit conditions, guarantee a prolonged recovery in the housing sector.

In summary, employment conditions and the housing market will continue to be a dominant factor in the current economic climate. As a consequence property values will continue to be negatively impacted. As a result, local municipalities and counties may suffer from reduced property and transfer tax revenues – at least in the near future. Local economic conditions will likely reduce the amount of available District funding for water supply projects and the amount of matching funding from state and local governments for water quality, reuse, land conservation, environmental restoration, and flood control projects. As opposed to water supply projects that are primarily funded by user rates and fees, water quality, reuse, land acquisition, restoration, and flood control projects often do not have dedicated sources of funding and are more likely to be impacted by budget shortfalls for the next several years.

**Long-term financial planning.** The District exercises its management of water resources through four statutorily designated "areas of responsibility": Water Supply, Flood Protection, Water Quality, and Natural Systems. Long-term financial planning, as well as strategic direction, is provided by the District Strategic Plan, annual development of a Program Budget, a Five-Year Technology Plan, and a Five-Year Capital Improvements Plan that connect planning and program budgeting.

An example of long-term financial planning in the area of water supply is the District's Long-Range Water Supply and Water Resource Development Funding Plan (Long-Range Funding Plan). The District's 2010 Regional Water Supply Plan (RWSP) projects an increase in water demand of 431 million gallons per day (mgd) from the base year (2005) to the end of the planning horizon (2030). This includes 64.7 mgd in environmental restoration quantities required to help impacted natural systems meet their minimum flows and levels. The RWSP identified 937 mgd of potential water supplies to help meet these demands. The Long-Range Funding Plan is a pay-as-you-go funding strategy for the District's RWSP that depends on the majority of funding for new water supplies being generated in conjunction with the District's public and private partners through 2030. This Long-Range Funding Plan is reviewed and updated annually as part of the District budget process to keep pace with evolving water supply plans and the potential revenue impacts of economic fluctuations and legislative changes.

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<sup>4</sup> Florida Sales Report – September 2011. Single-Family, Existing Homes. Florida Association of Realtors. <http://media.living.net>. Accessed: October 27, 2011.

<sup>5</sup> Florida Sales Report – September 2011. Existing Condominiums. Florida Association of Realtors. <http://media.living.net>. Accessed: October 27, 2011.

<sup>6</sup> Building Permits Database. State of the Cities Data Systems. Office of Policy Development and Research. U.S. Department of Housing and Urban Development. Accessed: December 7, 2011.

The RWSP is updated on a five-year cycle with the next revision scheduled for late 2015. The District's Water Supply and Resource Development (WSRD) and Cooperative Funding programs are integral components of the Long-Range Funding Plan.

### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended September 30, 2010. This was the 23rd consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

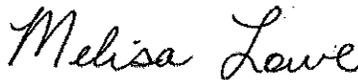
A Certificate of Achievement is valid for a period of one year only. We believe that the District's current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Sincere appreciation is extended to the many District employees who assisted with the preparation of this report, with special thanks to the employees of the Finance Bureau, especially the Accounting & Financial Reporting Section. Special recognition is due the Communications Bureau staff for the design of the cover and tabs, and the Document Services Section staff for producing the report. In closing, this report would not have been possible without the support and leadership of the District Governing Board and the District's Executive staff.

Sincerely,



Daryl F. Pokrana  
Bureau Chief



Melisa Lowe  
Accounting & Financial Reporting Manager

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## Southwest Florida Water Management District

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
September 30, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



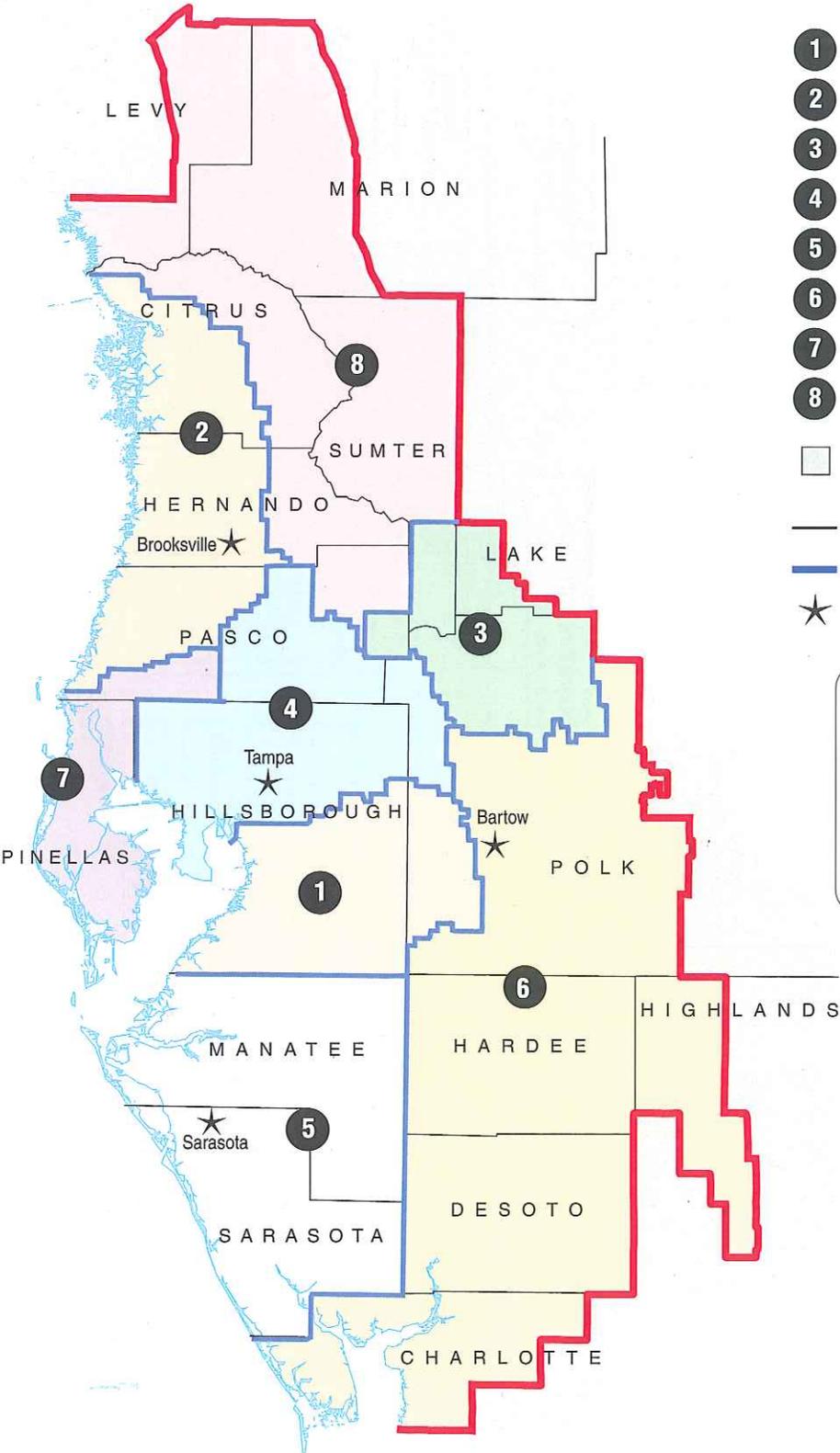
*Linda C. Danson*

President

*Jeffrey R. Emmer*

Executive Director

# Southwest Florida Water Management District



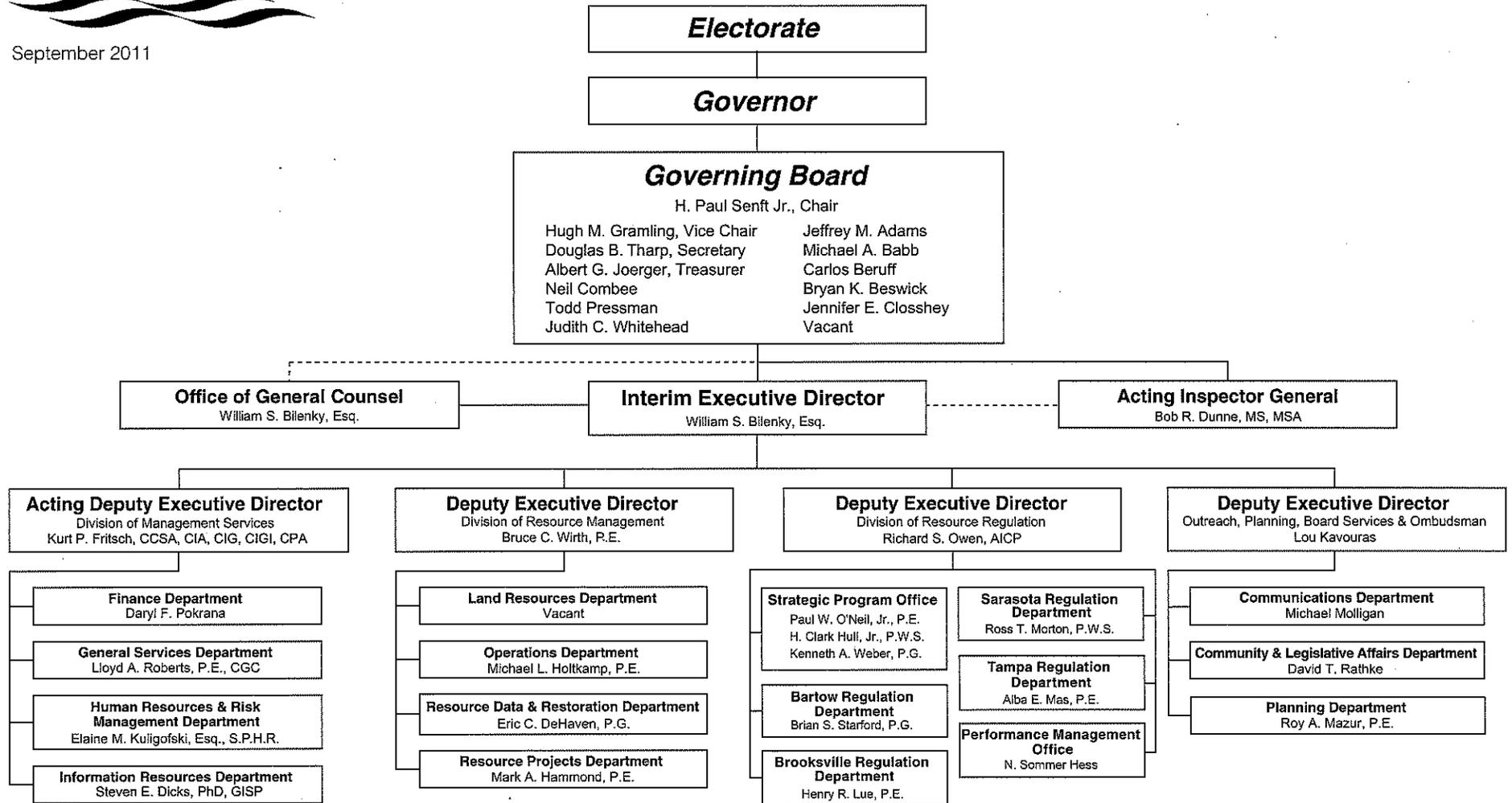
- 1 Alafia River Basin
- 2 Coastal Rivers Basin
- 3 Green Swamp Basin
- 4 Hillsborough River Basin
- 5 Manasota Basin
- 6 Peace River Basin
- 7 Pinellas-Anclote River Basin
- 8 Withlacoochee River Basin
- Portion of county outside SWFWMD
- County Boundary
- Basin Boundary
- ★ Location of Service Offices

Pursuant to Governing Board Resolution No. 11-10 all Basin boundaries were merged into the boundaries of the District effective May 31, 2011. The net assets of each Basin will be held as restricted assets of the District until expended for water management purposes within the geographical boundaries of the basin in which the ad valorem tax revenue was collected.



- Northwest Florida
  - Suwannee River
  - St. Johns River
  - Southwest Florida
  - South Florida
- Water Management Districts

# District Organization Chart





# Financial Section

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements  
Notes to the Financial Statements



KPMG LLP  
Suite 1700  
100 North Tampa Street  
Tampa, FL 33602-5145

## Independent Auditors' Report

The Members of the Governing Board  
Southwest Florida Water Management District:

We have audited the accompanying financial statements of the governmental activities and each major fund of the Southwest Florida Water Management District (the District), a component unit of the State of Florida, as of and for the year ended September 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Southwest Florida Water Management District, as of September 30, 2011, and the respective changes in financial position, and respective budgetary comparison for the general fund and each major special revenue fund for the year then ended in conformity with U.S. generally accepted accounting principles.

As discussed in note I.E.6 to the financial statements, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, effective October 1, 2010.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 16, 2012 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* and should be considered in assessing the results of our audit.



The management's discussion and analysis on pages 3 through 12 and the schedule of funding progress on page 46 are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Section 215.97, *Florida Statutes*, and is not a required part of the basic financial statements. The other supplementary information and the schedule of expenditures of federal awards and state financial assistance have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

KPMG LLP

March 16, 2012  
Certified Public Accountants

## **Management's Discussion and Analysis** (unaudited)

The Southwest Florida Water Management District's (District) discussion and analysis is designed to offer readers of the District's financial statements a narrative overview and analysis of the financial activities of the District for the fiscal year ended September 30, 2011. Readers are encouraged to read the Management's Discussion and Analysis in conjunction with the transmittal letter beginning on page i and the District's financial statements, which begin on page 13.

### **Financial Highlights**

- Effective May 31, 2011, the Governing Board approved the merger of the seven watershed Basins and their functions into the District in order to streamline and improve efficiencies. As a result, the Basins no longer exist as ad valorem taxing units and will no longer levy ad valorem tax. The District is the only taxing authority for fiscal year 2012. The net assets of each Basin have been transferred to the District's General Fund and will be held as restricted net assets of the District until expended for water management purposes within the geographical boundaries of the basin in which the ad valorem tax revenue was previously collected.
- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$1.4 billion. Of this amount, \$272.6 million may be used to meet the District's ongoing obligations to citizens and creditors. It is the District's intent to use these assets to: satisfy contracts and purchase orders in the amount of \$90 million; fund future long- and short-term projects in the amount of \$143.5 million; support land management activities in the amount of \$1.7 million; pay claims associated with the District's Workers' Compensation Self-insurance Program in the amount of \$0.7 million; and carry forward \$2.9 million into the fiscal year 2012 budget. The remaining net assets are earmarked for an economic stabilization fund in the amount of \$19 million with the remaining funds carried forward for allocation in the fiscal year 2013 budget.
- The District's total net assets decreased by \$1.1 million. The decrease is primarily attributable to the reduction of property tax and intergovernmental revenues.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$579.6 million, a decrease of \$10.8 million in comparison with the prior year. Of this total amount, \$40,754 relates to inventory on hand and is non spendable; \$300 million is restricted for the seven former watershed basin funds and \$279.5 million is available for spending at the District's discretion, with the majority committed or assigned as noted above.
- The District continues to have no bonded debt.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets

may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

The government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include: water resources planning and monitoring; acquisition, restoration and public works; operation and maintenance of lands and works; regulation; outreach; and management and administration.

The government-wide financial statements can be found on pages 13 and 14 of this report.

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

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

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

The District maintained one general fund, eight special revenue funds and two capital projects funds, all of which were considered to be major funds during fiscal year 2011. Information for all funds is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances.

The District adopts an annual appropriated budget for all funds. To demonstrate compliance with the adopted budget, budgetary comparison statements have been provided for all funds in accordance with Governmental Accounting Standards Board, Statement No. 34. Although not required, budgetary comparison schedules for the District's capital projects funds have been provided on pages 49 and 50 of this report, as other supplementary information.

The governmental funds financial statements can be found on pages 15 through 25 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27 through 47 of this report.

**Additional information.** Additional information about the District, which may be of interest to the reader, is found under the Statistical, Single Audit Compliance and Management Letter sections of this report.

**Government-wide Financial Analysis**

For fiscal year 2011, the overall condition of the District remained consistent with fiscal year 2010.

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$1.4 billion at September 30, 2011, and the District reported positive balances in all categories of net assets. The same held true for the prior fiscal year. For fiscal year 2011, the District's total net assets decreased by \$1.1 million (0.08 percent). The majority of the decrease is attributable to the reduction of property tax and intergovernmental revenues.

**Southwest Florida Water Management District's Net Assets**

	Governmental Activities	
	2011	2010
Current and Other Assets	\$ 716,477,290	\$ 688,200,477
Capital Assets	857,375,759	852,711,345
Total Assets	<u>1,573,853,049</u>	<u>1,540,911,822</u>
Current and Other Liabilities	135,896,224	96,900,449
Long-term Liabilities	<u>22,448,284</u>	<u>27,395,012</u>
Total Liabilities	<u>158,344,508</u>	<u>124,295,461</u>
Net Assets:		
Invested in Capital Assets, net of related debt	857,375,759	851,883,344
Restricted for:		
Watershed Basins	285,544,515	287,476,936
Unrestricted	<u>272,588,267</u>	<u>277,256,081</u>
Total Net Assets	<u>\$ 1,415,508,541</u>	<u>\$ 1,416,616,361</u>

By far the largest portion of the District's net assets, at September 30, 2011, in the amount of \$857.4 million (60.6 percent) reflects its investment in capital assets, net of related debt (e.g., land, buildings, machinery, equipment, infrastructure, intangible assets). The District uses these capital assets to carry out its statutory responsibilities; consequently, these assets are not available for future spending.

Restricted net assets in the amount of \$285.5 (20.2 percent), represents the equity of the former seven watershed basin funds that must be spent within the geographical boundaries of each watershed basin. It is the District's intent to use these assets to satisfy contracts and purchase orders and fund future long- and short-term projects that fall within the specific geographical boundaries of the basins.

Unrestricted net assets in the amount of \$272.6 million (19.2 percent) may be used to meet the District's ongoing obligations to citizens and creditors. As noted earlier, it is the District's intent to use these assets to: satisfy contracts and purchase orders; fund future long- and short-term projects;

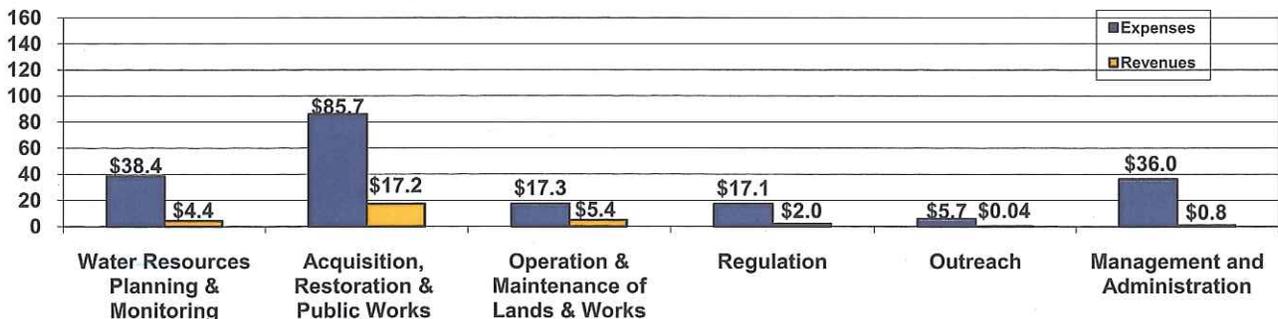
support land management activities; and pay claims associated with the District's Workers' Compensation Self-insurance Program. The remaining net assets are earmarked for an economic stabilization fund and as carry forward for allocation in the fiscal year 2013 budget.

**Governmental activities.** Governmental activities decreased the District's net assets by \$1.1 million. Changes in key elements of this decrease are as follows:

**Southwest Florida Water Management District's Changes in Net Assets**

	Governmental Activities	
	2011	2010
Revenues:		
Program revenues:		
Charges for services	\$ 3,677,088	\$ 4,121,761
Operating grants and contributions	23,181,021	22,570,976
Capital grants and contributions	3,009,100	30,604,190
General revenues:		
Ad valorem property taxes	161,850,765	189,205,683
Unrestricted investment earnings	6,515,579	8,199,031
Other	822,578	2,091,500
Total Revenues	<u>199,056,131</u>	<u>256,793,141</u>
Expenses:		
Water Resources Planning and Monitoring	38,393,264	40,726,648
Acquisition, Restoration and Public Works	85,730,762	114,411,606
Operation and Maintenance of Lands and Works	17,287,730	17,143,156
Regulation	17,068,249	18,247,275
Outreach	5,693,533	6,331,730
Management and Administration	35,990,413	33,853,860
Total Expenses	<u>200,163,951</u>	<u>230,714,275</u>
Change in net assets	(1,107,820)	26,078,866
Net assets - beginning of year	1,416,616,361	1,390,537,495
Net assets - end of year	<u>\$ 1,415,508,541</u>	<u>\$ 1,416,616,361</u>

**Fiscal Year 2011 Expenses and Program Revenues\*\* - Governmental Activities**  
(shown in millions)



\*\* Program Revenues exclude ad valorem property taxes in accordance with Governmental Accounting Standards Board, Statement No. 34 – See Note I.B. on page 27.

## Revenues

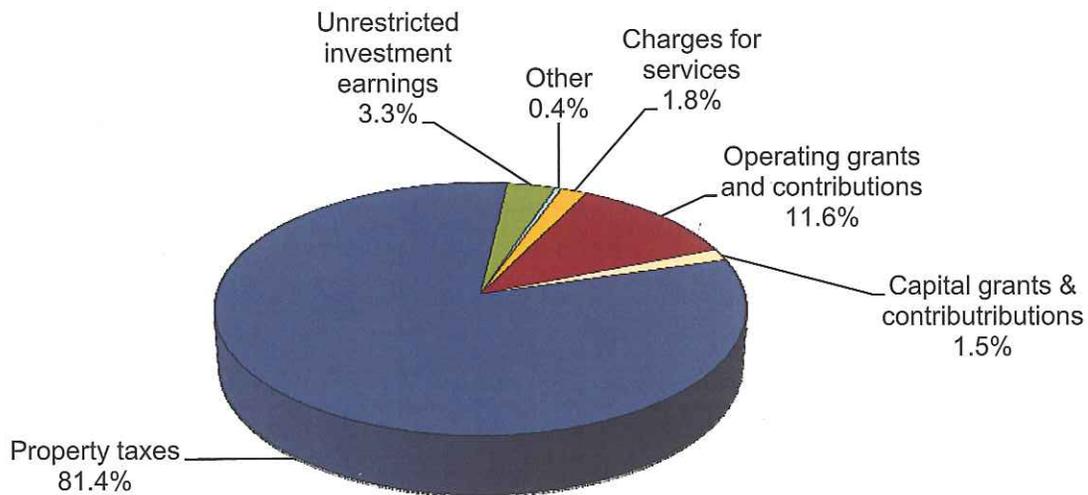
**Ad valorem property taxes** are the District's primary source of revenue. For fiscal year 2011, ad valorem property taxes decreased \$27.4 million (14.4 percent) below fiscal year 2010. The property tax levy for fiscal year 2011 budget requirements is based on the tax roll for calendar year 2010. In 2010 (for fiscal year 2011), taxable property values districtwide decreased reflecting the state of the economy and the slowdown in the real estate industry. Further, the District's Governing Board and two of the seven Basin Boards elected to decrease their fiscal year 2011 millage rates with the five remaining Basin Boards maintaining their rates at the fiscal year 2010 levels.

**Capital grants and contributions** decreased by \$27.6 million (90.2 percent) below fiscal year 2010 due primarily to a decrease in the number of acres of land/land easements acquired in fiscal year 2011 as compared with fiscal year 2010. The Florida Department of Environmental Protection provided the majority of this revenue from the Florida Forever Trust Fund for land acquisition.

**Unrestricted investment earnings** decreased by \$1.7 million (20.5 percent) below fiscal year 2010 due to the current economic conditions and declining interest rates. The District received an average yield of 0.9 percent on its investments during fiscal year 2011 compared with an average yield of 1.3 percent during fiscal year 2010.

**Other Revenues** decreased by \$1.3 million (60.7 percent) below fiscal year 2010 due to land and land easements (interests in land) that were donated to the District with a fair market value of approximately \$0.5 million in fiscal year 2011, compared with donations of \$1.8 million in fiscal year 2010.

### FY2011 Revenues by Source – Governmental Activities



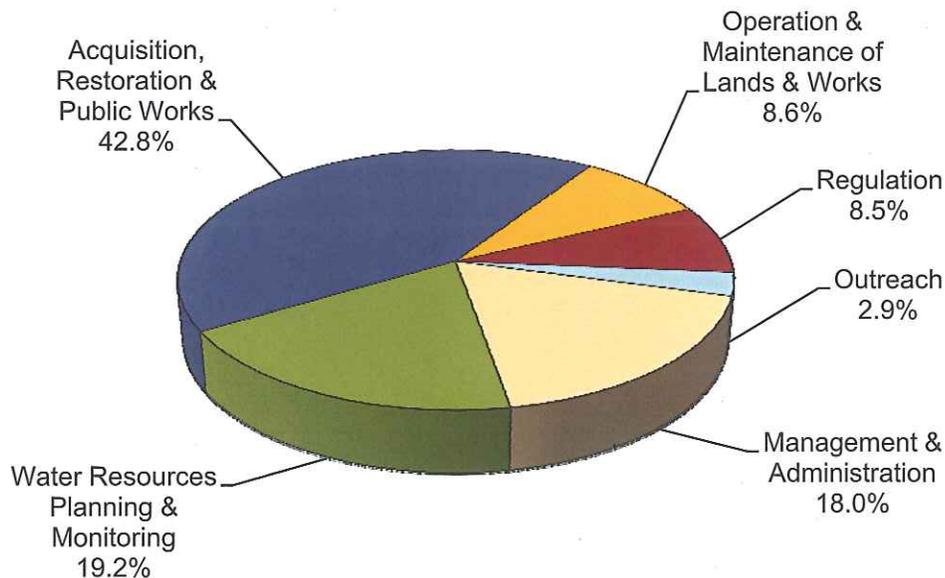
## Expenses

**Acquisition, Restoration and Public Works** program expenses decreased \$28.7 million (25.1 percent) compared with fiscal year 2010. Expenses included in this program include the development and construction of capital projects; cooperative funding projects for water supply, water resource development, and surface water projects; land acquisition and the restoration of lands and water bodies. The decrease in expenses is due to a number of different projects relating to this program area. Actual expenses associated with cooperative funding and restoration projects are incurred as work on the projects is completed. Since the projects are often multi-year and the work is generally completed by local governments with the District reimbursing costs, expenses can fluctuate year to year depending on the status of the projects and when they are completed. For example, during fiscal year 2011, expenses incurred for the Tampa Bay Water System Configuration II project were \$19.7 million less than in fiscal year 2010 due to the project construction nearing completion.

In addition, the final expense for the Seawater Desalination plant under the Northern Tampa Bay New Water Supply and Ground Water Withdrawal Reduction Agreement of \$21.25 million was incurred in fiscal year 2010. In comparison, the Peace River Manasota Regional Water Supply Authority has three regional loop system interconnect projects that are in different stages with expenses in fiscal year 2011 of \$8.7 million, an increase of \$4.4 million over fiscal year 2010. The District incurred expenses of \$24.5 million for its surface water projects including Surface Water Improvement and Management (SWIM) projects in fiscal year 2011; this is a \$6.8 million increase over fiscal year 2010. The District also acquired less land during fiscal year 2011 which resulted in land acquisition costs (not including ancillary costs) being \$27.1 million less than fiscal year's 2010 acquisition costs.

**Outreach** program expenses decreased \$0.6 million (10.1 percent) compared with fiscal year 2010 due primarily to the reduction of cooperative funding for water resource education projects. This program includes all environmental education activities, such as water conservation campaigns and water resources education; public information activities; all lobbying activities relating to local, regional, state, and federal governmental affairs; and all public relations activities, including public service announcements and advertising in any media.

### FY2011 Expenses by Program – Governmental Activities



### Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

At September 30, 2011, unrestricted fund balance totals \$279.5 million and is available for spending at the District's discretion. Of this amount, the Governing Board has committed \$50 million for long-term projects; assigned \$188.8 million for various reasons, including, \$93.5 million to short-term projects, \$90 million for contractual obligations, \$0.7 million for the self-funded workers' compensation program, \$1.7 million for land management activities and \$2.9 million for the subsequent year's budget; leaving \$40.7 million unassigned, of which \$19 million will be used to fund the District's economic stabilization fund.

The general fund is the chief operating fund of the District. At the end of fiscal year 2011, unrestricted fund balance of the general fund was \$275 million, while the total fund balance was \$575.1 million. As a measure of the general fund's liquidity, it may be useful to compare both the unrestricted fund balance and the total fund balance to the total fund expenditures, which amounted to \$124.7 million. Unrestricted, including unassigned, fund balance represents 220.5 percent of the total general fund expenditures, while total fund balance represents 461.1 percent of that same amount.

The fund balance of the general fund increased \$294.2 million during the current fiscal year due to the transfer of \$300 million of equity from the seven former watershed basin funds. Without the transfer from the former basin funds, the fund balance of the general fund would have decreased \$5.9 million during the current fiscal year associated with declining revenues. The net equity transferred from the seven former basin funds will be held as restricted fund balance of the general fund until expended for water management purposes within the geographical boundaries of the basin in which the ad valorem tax revenue was collected.

During fiscal year 2011, the seven watershed basins, Alafia River, Hillsborough River, Coastal Rivers, Pinellas-Anclote River, Withlacoochee River, Peace River and Manasota were all consolidated and their equity was transferred into the general fund as restricted fund balance. The fluctuation (increases or decreases) in the Basins' fund balances (prior to transferring the equity into the general fund) from year to year is primarily due to the timing differences of when revenues are budgeted to fund the projects and when the project expenditures actually occur. Actual expenditures associated with cooperative funding and restoration projects are incurred as work on the projects is completed. Since the projects are often multi-year and the work is generally completed by local governments with the District reimbursing costs, expenditures may vary year to year depending on the status of the projects and when they are completed. Ad valorem property taxes were the primary funding source for the Basins and from fiscal year 2010 to 2011 there was a decrease (16.9 percent) in tax revenue. The majority of the ad valorem property taxes are allocated to either current year projects or set aside for future year projects. If the Basins do not incur costs for projects funded that year, then the fund balances of the Basins will increase. During the year in which project costs are incurred, if subsequent to the year of funding, then the Basins' fund balances will decrease.

The fund balance of the facilities fund increased \$1 million during the current fiscal year due to the postponement of the Bartow building #1 renovation project.

### **General Fund Budgetary Highlights**

The District's General Fund budget was not amended during fiscal year 2011.

In total, the general fund revenue budget was \$134.7 million with actual revenues of \$118.9 million, resulting in a variance of \$15.9 million (11.7 percent). The variance is primarily due to a reduction in intergovernmental revenues.

Intergovernmental revenues are recognized at the time related expenditures are incurred. For fiscal year 2011, the Intergovernmental Revenues budget was \$27 million and actual revenues were \$8 million, resulting in a variance of \$19 million (70.4 percent). The decrease is due primarily to outside funding being budgeted to fund various District projects that are currently in the planning stages and have not incurred a significant amount of expenditures.

The District's program areas include a variety of projects, initiatives and reserves that are necessary to carry out the District's mission to preserve and protect the state's water resources (see Note I.D, page 29). The general fund budget-to-actual expenditure variances are primarily due to encumbrances that exist at year-end for projects that are often multi-year, resulting in expenditures that do not always coincide with the budget period. After removing the encumbrances from the budget-to-actual variances, two program areas showed a significant variance.

The Acquisition, Restoration and Public Works program budget was \$255.7 million and actual expenditures were \$30.1 million. After adjusting for encumbrances, a variance of \$142.1 million (55.6 percent) remains. The variance is primarily due to remaining water supply and resource development reserves that were budgeted for future alternative water supplies and conservation projects in the amount of \$104.5 million and the Lake Hancock Land Acquisition project in the amount of \$35.3 million, which were not spent during the fiscal year.

The District Management and Administration program budget was \$53.1 million and actual expenditures were \$39 million. After adjusting for encumbrances, a variance of \$8.5 million (16 percent) remains. The variance is primarily due to: \$3.8 million of budgeted reserves for contingencies not required in fiscal year 2011; commission expenditures that were \$0.7 million less than anticipated due primarily to the refund of excess commissions from county property appraisers and tax collectors; information technology expenditures that were less than anticipated by \$2.1 million due to less staff time; and legal expenditures that were \$0.7 million less for outside legal services and expert legal testimony/analysis than budgeted.

These variances will not have a significant effect on future services or liquidity of the District.

### **Capital Asset and Debt Administration**

**Capital assets.** The District's investment in capital assets at September 30, 2011, amounted to \$857.4 million (net of accumulated depreciation). This investment in capital assets includes land, land interests, buildings, machinery and equipment, infrastructure, construction in progress, software, and other capital assets.

Major capital asset events during the current fiscal year include the following:

- In connection with the Rocky Creek Lake Project, the District acquired 0.87 acres in Hillsborough County at a cost of \$450,000 (not including ancillary costs). The land acquisition was funded by the Hillsborough River Basin.
- In connection with the Myakka Prairie Project, the District, in partnership with the Department of Agriculture, Natural Resources Conservation Service (NRCS), acquired a perpetual conservation easement totaling 1,236.35 acres in Manatee County, with the District's share of the cost being \$557,500 (not including ancillary costs) funded by the Florida Forever Trust Fund. The District and NCRS hold equal shares to the title.
- In connection with the Weeki Wachee/Sunwest Project, the District received two parcels of land totaling 1,268.46 acres assessed at a total value of \$1.2 million in exchange for two District parcels of land totaling 89.96 acres assessed at a total value of \$0.6 million. There were several environmental benefits associated with the exchange, most notably the water resource benefits associated with having larger, more contiguous tracts of coastal uplands and wetlands.
- In connection with the Lake Hancock Project, the District acquired nine perpetual easements through eminent domain for a cost of \$2.3 million (not including ancillary costs) totaling 112.42 acres. These acquisitions were funded by the District.
- Following are some of the construction in progress projects that were completed during fiscal year 2011:

- Structures: Lower Hillsborough Wilderness Park - Flatwoods Phase VI
- Wellsites: Blich Plantation, Carlton Half Moon Preserve, Clay Sink #100, Crippenwood, Dover Sites 1 & 2, Romp 60-62, Tampa 15 Deep, Turner Floridian, McIntosh Floridian, Gum Springs, Lake Hancock Northeast, PRIM CC01 Crews, NS-4, Manasota Scrub Preserve, Oconee Romp 70, Progress Energy 45.5, Rainbow Springs, Ross Pond SE Romp 119.5, Torrey #41

**Southwest Florida Water Management District's  
Capital Assets (net of depreciation)**

	2011	2010
Land	\$ 610,949,925	\$ 609,786,081
Land Interests (less-than-fee)	101,007,649	98,798,003
Buildings	27,201,573	26,901,901
Machinery and Equipment	11,475,728	12,890,078
Infrastructure	71,005,369	68,979,437
Construction in Progress	26,257,764	27,260,320
Software	9,426,807	8,027,870
Other Capital Assets	50,944	67,655
<b>Total Assets</b>	<b>\$ 857,375,759</b>	<b>\$ 852,711,345</b>

Additional information on the District's capital assets can be found in Note I.E.4. on page 30 and Note IV.E. on page 39.

**Long-term debt.** At the end of the current fiscal year, the District had no outstanding debt.

**Southwest Florida Water Management District's  
Outstanding Debt**

Governmental Activities		
	2011	2010
Capital Leases	\$0	\$871,253

During the current fiscal year, the District's total debt from two capital leases decreased by \$871,253, due to the annual payments.

Additional information on the District's long-term debt can be found in note IV.G. on page 40 of this report.

**Economic Factors and Next Year's Budgets and Rates**

The District's primary source of funding is ad valorem property taxes.

The 2011 Florida Legislature capped the amount of ad valorem revenue that the water management districts may levy for fiscal year 2012 (Section 373.503(4), Florida Statutes). The fiscal year 2012 maximum levy for this District was \$107.8 million; the fiscal year 2012 budget of \$103.4 million represents 96 percent of the maximum levy based on historical collections. This represents the fourth year of declining ad valorem revenues, which is now at taxing levels similar to fiscal year 2001. The District's General Fund is the only taxing authority for fiscal year 2012. Effective May 31, 2011, the Governing Board merged all Basins and their functions into the District's General Fund to streamline and improve efficiencies. There are no separate Basin tax levies for fiscal year 2012.

A millage rate of 0.3928 mill was adopted by the Governing Board at the final public hearing held on September 27, 2011. This millage rate was determined based on the maximum amount of ad valorem taxes the District may levy for fiscal year 2012, and taxable property values as certified by the District's 16-counties. The 2011 tax roll, upon which taxes for fiscal year 2012 are based, decreased by 4.7 percent from 2010. This represents the fourth year of declining property values reflecting the state of the economy and real estate industry. The current economic conditions and declining interest rates have negatively affected the District's interest earnings for fiscal year 2011, and are expected to continue for fiscal year 2012. The District received an overall return of 0.9 percent on its investments for fiscal year 2011, compared to the 0.75 percent that had been budgeted. The fiscal year 2012 budget for interest earnings is based on an expected return of 0.5 percent. As of the end of the first quarter of fiscal year 2012, interest earnings appeared to be on track with the budget, and interest projections indicate interest earnings should achieve or exceed the amount budgeted.

Management will continue to closely monitor revenues and expenditures throughout the fiscal year and report any variances to the Governing Board as conditions warrant.

### **Requests for Information**

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information should be addressed to the Office of the Finance Bureau Chief, Southwest Florida Water Management District, 2379 Broad Street, Brooksville, Florida, 34604-6899; or by calling (352) 796-7211, extension 4121; or by email to [Daryl.Pokrana@WaterMatters.org](mailto:Daryl.Pokrana@WaterMatters.org).



# Basic Financial Statements

The Basic Financial Statements include both the Government-wide Financial Statements and Fund Financial Statements.

The Government-wide Financial Statements consist of a statement of net assets and a statement of activities which report information about the District as a whole using the economic resource measurement focus and the accrual basis of accounting.

The Fund Financial Statements report additional detailed information about the District's governmental funds using the current financial resources measurement focus and the modified accrual basis of accounting.

**Southwest Florida Water Management District  
Statement of Net Assets  
September 30, 2011**

<b>ASSETS</b>	Governmental Activities
Cash and Investments	\$ 350,328,317
Receivables	3,933,815
Deposits	30,000
Inventories	40,754
Other Assets	165,843
Restricted assets:	
Cash and Investments	355,660,463
Intergovernmental Receivable	5,738,253
Interest Receivable	579,845
Capital Assets not being depreciated:	
Land	610,949,925
Land Interests	101,007,649
Construction in Progress	26,257,764
Capital Assets (net of accumulated depreciation):	
Buildings	27,201,573
Machinery and Equipment	11,475,728
Infrastructure	71,005,369
Software	9,426,807
Other Capital Assets	50,944
Total Assets	<u>1,573,853,049</u>
 <b>LIABILITIES</b>	
Accounts and Contracts Payable	34,720,029
Trade Settlement Obligation	60,000,000
Payroll and Related Costs	2,608,040
Contracts Payable-Retainage	1,070,200
Due To Other Governments	1,040
Unearned Revenue	37,269,098
Interest Payable	227,817
Noncurrent Liabilities:	
Due Within One Year	11,181,382
Due in More Than One Year	11,266,902
Total Liabilities	<u>158,344,508</u>
 <b>NET ASSETS</b>	
Invested in Capital Assets, net of related debt	857,375,759
Restricted for:	
Watershed Basins	285,544,515
Unrestricted	272,588,267
Total Net Assets	<u>\$ 1,415,508,541</u>

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

**Southwest Florida Water Management District  
Statement of Activities  
For the Year Ended September 30, 2011**

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets
					Total Governmental Activities
<b>Primary government:</b>					
Governmental activities:					
Water Resources Planning and Monitoring	\$ 38,393,264	\$ 188,119	\$ 4,245,826	\$ -	\$ (33,959,319)
Acquisition, Restoration and Public Works	85,730,762	-	14,205,014	3,009,100	(68,516,648)
Operation and Maintenance of Lands and Works	17,287,730	842,415	4,512,601	-	(11,932,714)
Regulation	17,068,249	1,862,728	173,702	-	(15,031,819)
Outreach	5,693,533	-	42,641	-	(5,650,892)
Management and Administration	35,990,413	783,826	1,237	-	(35,205,350)
<b>Total governmental activities</b>	<b>\$ 200,163,951</b>	<b>\$ 3,677,088</b>	<b>\$ 23,181,021</b>	<b>\$ 3,009,100</b>	<b>(170,296,742)</b>
General Revenues:					
					161,850,765
Ad Valorem Property Taxes					6,515,579
Unrestricted investment earnings					822,578
Other					<u>169,188,922</u>
Total general revenues					<u>169,188,922</u>
Change in net assets					(1,107,820)
Net assets - beginning					<u>1,416,616,361</u>
Net assets - ending					<u>\$ 1,415,508,541</u>

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

**Southwest Florida Water Management District  
Balance Sheet  
Governmental Funds  
September 30, 2011**

	General	Alafia River Basin	Hillsborough River Basin	Coastal Rivers Basin	Pinellas- Anclote River Basin	Withlacoochee River Basin	Peace River Basin	Manasota Basin	DOT Mitigation	Florida Forever	Facilities	Total Governmental Funds
<b>ASSETS</b>												
Cash and Investments	\$ 684,431,887	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,444,543	\$ 4,642,449	\$ 4,469,901	\$ 705,988,780
Due From Other Governments	8,826,820	-	-	-	-	-	-	-	-	310,659	-	9,137,479
Interest Receivable	1,114,434	-	-	-	-	-	-	-	-	-	-	1,114,434
Deposits	30,000	-	-	-	-	-	-	-	-	-	-	30,000
Inventories	40,754	-	-	-	-	-	-	-	-	-	-	40,754
Other Assets	165,843	-	-	-	-	-	-	-	-	-	-	165,843
<b>Total Assets</b>	<b>694,609,738</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,444,543</b>	<b>4,953,108</b>	<b>4,469,901</b>	<b>716,477,290</b>
<b>LIABILITIES AND FUND BALANCES</b>												
<b>Liabilities:</b>												
Accounts and Contracts Payable	34,580,342	-	-	-	-	-	-	-	9,679	352,037	5,788	34,947,846
Trade Settlement Obligation	60,000,000	-	-	-	-	-	-	-	-	-	-	60,000,000
Payroll and Related Costs	2,607,340	-	-	-	-	-	-	-	700	-	-	2,608,040
Contracts Payable-Retainage	1,057,279	-	-	-	-	-	-	-	12,921	-	-	1,070,200
Due To Other Governments	1,040	-	-	-	-	-	-	-	-	-	-	1,040
Deferred Revenue	21,256,892	-	-	-	-	-	-	-	12,421,243	4,601,071	-	38,279,206
<b>Total Liabilities</b>	<b>119,502,893</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,444,543</b>	<b>4,953,108</b>	<b>5,788</b>	<b>136,906,332</b>
<b>Fund Balances:</b>												
Nonspendable	40,754	-	-	-	-	-	-	-	-	-	-	40,754
Restricted	300,042,655	-	-	-	-	-	-	-	-	-	-	300,042,655
Committed	50,000,000	-	-	-	-	-	-	-	-	-	-	50,000,000
Assigned	184,375,566	-	-	-	-	-	-	-	-	-	4,464,113	188,839,679
Unassigned	40,647,870	-	-	-	-	-	-	-	-	-	-	40,647,870
<b>Total Fund Balances</b>	<b>575,106,845</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,464,113</b>	<b>579,570,958</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 694,609,738</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 12,444,543</b>	<b>\$ 4,953,108</b>	<b>\$ 4,469,901</b>	

Amounts reported for governmental activities in the statement of net assets (page 13) are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	857,375,759
Delinquent taxes are not available to pay for current period expenditures and, therefore, are not reported in the funds.	1,010,108
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(22,448,284)</u>
<b>Net assets of governmental activities</b>	<b>\$ <u>1,415,508,541</u></b>

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

**Southwest Florida Water Management District**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended September 30, 2011**

	General	Alafia River Basin	Hillsborough River Basin	Coastal Rivers Basin	Pinellas-Anclote River Basin	Withlacoochee River Basin	Peace River Basin	Manasota Basin	DOT Mitigation	Florida Forever	Facilities	Total Governmental Funds
<b>REVENUES</b>												
Ad Valorem Property Taxes	\$ 103,214,335	\$ 3,923,939	\$ 13,194,097	\$ 3,692,841	\$ 15,887,378	\$ 4,264,102	\$ 6,435,698	\$ 9,609,428	\$ -	\$ -	\$ 1,500,000	\$ 161,721,818
Intergovernmental Revenues	7,973,501	645,463	1,153,035	1,097,302	4,884,243	1,502,985	3,266,369	2,452,250	942,464	2,863,823	-	26,781,435
Interest on Invested Funds	3,157,012	165,231	848,221	149,937	1,302,533	135,053	250,846	464,300	42,446	-	-	6,515,579
License and Permit Fees	1,862,728	-	-	-	-	-	-	-	-	-	-	1,862,728
Other	2,648,348	431	1,247	126	900	295	465	860	-	-	-	2,652,672
<b>Total Revenues</b>	<b>118,855,924</b>	<b>4,735,064</b>	<b>15,196,600</b>	<b>4,940,206</b>	<b>22,075,054</b>	<b>5,902,435</b>	<b>9,953,378</b>	<b>12,526,838</b>	<b>984,910</b>	<b>2,863,823</b>	<b>1,500,000</b>	<b>199,534,232</b>
<b>EXPENDITURES</b>												
Current:												
Water Resources Planning and Monitoring	27,642,715	389,210	2,147,492	1,392,901	1,229,448	2,076,102	1,552,609	1,981,833	-	-	-	38,412,310
Acquisition, Restoration and Public Works	30,121,621	3,825,086	6,875,234	2,107,069	25,508,991	888,614	8,213,622	10,761,143	1,276,389	2,732,910	458,483	92,769,162
Operation and Maintenance of Lands and Works	8,556,016	442,927	2,265,715	604,355	1,024,328	1,365,937	686,040	482,032	-	130,913	-	15,558,263
Regulation	17,425,804	-	-	-	-	-	-	-	-	-	-	17,425,804
Outreach	1,970,311	283,671	937,339	299,086	770,968	341,649	668,042	461,496	-	-	-	5,732,562
Management and Administration	39,003,988	95,853	304,017	107,172	386,941	167,725	248,606	169,738	-	-	-	40,484,040
<b>Total Expenditures</b>	<b>124,720,455</b>	<b>5,036,747</b>	<b>12,529,797</b>	<b>4,510,583</b>	<b>28,920,676</b>	<b>4,840,027</b>	<b>11,368,919</b>	<b>13,856,242</b>	<b>1,276,389</b>	<b>2,863,823</b>	<b>458,483</b>	<b>210,382,141</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,864,531)	(301,683)	2,666,803	429,623	(6,845,622)	1,062,408	(1,415,541)	(1,329,404)	(291,479)	-	1,041,517	(10,847,909)
<b>OTHER FINANCING SOURCES (USES)</b>												
Transfers In	300,042,655	-	-	-	-	-	-	-	-	-	-	300,042,655
Transfers Out	-	(14,365,627)	(83,167,111)	(13,611,965)	(117,035,629)	(12,673,582)	(20,706,667)	(38,482,074)	-	-	-	(300,042,655)
<b>Net Change In Fund Balances</b>	<b>294,178,124</b>	<b>(14,667,310)</b>	<b>(80,500,308)</b>	<b>(13,182,342)</b>	<b>(123,881,251)</b>	<b>(11,611,174)</b>	<b>(22,122,208)</b>	<b>(39,811,478)</b>	<b>(291,479)</b>	<b>-</b>	<b>1,041,517</b>	<b>(10,847,909)</b>
Fund Balances - Beginning	280,928,721	14,667,310	80,500,308	13,182,342	123,881,251	11,611,174	22,122,208	39,811,478	291,479	-	3,422,596	590,418,867
<b>Fund Balances - Ending</b>	<b>\$ 575,106,845</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,464,113</b>	<b>\$ 579,570,958</b>

Amounts reported for governmental activities in the statement of activities (page 14) are different because:

Net change in fund balances - total governmental funds	\$ (10,847,909)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	5,922,340
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations and adjustments) resulted in a decrease to net assets.	(1,257,926)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Delinquent taxes recorded as of September 30, 2011, were more than the amount recorded at prior year-end, resulting in a net increase to income.	128,947
The borrowing of resources associated with a capital lease provides current financial resources to governmental funds, while the repayment of the principal of the long-term borrowing consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the effect of the repayment of principal associated with the long-term borrowing.	871,253
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	4,075,475
<b>Change in net assets of governmental activities</b>	<b>(1,107,820)</b>

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

**Southwest Florida Water Management District  
General Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended September 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Ad Valorem Property Taxes	\$ 102,683,568	\$ 102,683,568	\$ 103,214,335	\$ 530,767
Intergovernmental Revenues	26,950,209	26,950,209	7,973,501	(18,976,708)
Interest on Invested Funds	2,200,000	2,200,000	3,157,012	957,012
License and Permit Fees	1,700,000	1,700,000	1,862,728	162,728
Other	1,211,273	1,211,273	2,648,348	1,437,075
Total Revenues	<u>134,745,050</u>	<u>134,745,050</u>	<u>118,855,924</u>	<u>(15,889,126)</u>
<b>EXPENDITURES</b>				
Current:				
Water Resources Planning and Monitoring	43,520,349	43,586,013	27,642,715	15,943,298
Acquisition, Restoration and Public Works	255,668,893	255,719,178	30,121,621	225,597,557
Operation and Maintenance of Lands and Works	10,232,438	11,329,316	8,556,016	2,773,300
Regulation	20,958,633	20,696,108	17,425,804	3,270,304
Outreach	2,334,141	2,357,021	1,970,311	386,710
Management and Administration	54,111,194	53,138,012	39,003,988	14,134,024
Total Expenditures	<u>386,825,648</u>	<u>386,825,648</u>	<u>124,720,455</u>	<u>262,105,193</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(252,080,598)	(252,080,598)	(5,864,531)	246,216,067
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	300,042,655	(300,042,655)
Net Change In Fund Balance	<u>(252,080,598)</u>	<u>(252,080,598)</u>	<u>294,178,124</u>	<u>546,258,722</u>
Fund Balance - Beginning	252,080,598	252,080,598	280,928,721	28,848,123
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 575,106,845</u>	<u>\$ 575,106,845</u>

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

**Southwest Florida Water Management District  
Alafia River Basin Special Revenue Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended September 30, 2011**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
<b>REVENUES</b>			
Ad Valorem Property Taxes	\$ 3,938,352	\$ 3,923,939	\$ (14,413)
Intergovernmental Revenues	8,277,296	645,463	(7,631,833)
Interest on Invested Funds	120,000	165,231	45,231
Other	-	431	431
Total Revenues	12,335,648	4,735,064	(7,600,584)
<b>EXPENDITURES</b>			
Current:			
Water Resources Planning and Monitoring	1,690,578	389,210	1,301,368
Acquisition, Restoration and Public Works	23,131,692	3,825,086	19,306,606
Operation and Maintenance of Lands and Works	741,945	442,927	299,018
Outreach	465,274	283,671	181,603
Management and Administration	448,609	95,853	352,756
Total Expenditures	26,478,098	5,036,747	21,441,351
Excess (Deficiency) of Revenues Over (Under) Expenditures	(14,142,450)	(301,683)	13,840,767
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	-	(14,365,627)	(14,365,627)
Net Change In Fund Balance	(14,142,450)	(14,667,310)	(524,860)
Fund Balance - Beginning	14,142,450	14,667,310	524,860
Fund Balance - Ending	\$ -	\$ -	\$ -

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

**Southwest Florida Water Management District  
Hillsborough River Basin Special Revenue Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended September 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Ad Valorem Property Taxes	\$ 13,190,868	\$ 13,190,868	\$ 13,194,097	\$ 3,229
Intergovernmental Revenues	9,535,678	9,535,678	1,153,035	(8,382,643)
Interest on Invested Funds	600,000	600,000	848,221	248,221
Other	-	-	1,247	1,247
Total Revenues	<u>23,326,546</u>	<u>23,326,546</u>	<u>15,196,600</u>	<u>(8,129,946)</u>
<b>EXPENDITURES</b>				
Current:				
Water Resources Planning and Monitoring	5,819,927	5,819,927	2,147,492	3,672,435
Acquisition, Restoration and Public Works	88,734,487	88,277,118	6,875,234	81,401,884
Operation and Maintenance of Lands and Works	3,457,109	3,914,478	2,265,715	1,648,763
Outreach	1,536,352	1,536,352	937,339	599,013
Management and Administration	2,963,319	2,963,319	304,017	2,659,302
Total Expenditures	<u>102,511,194</u>	<u>102,511,194</u>	<u>12,529,797</u>	<u>89,981,397</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(79,184,648)	(79,184,648)	2,666,803	81,851,451
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	(83,167,111)	(83,167,111)
Net Change In Fund Balance	(79,184,648)	(79,184,648)	(80,500,308)	(1,315,660)
Fund Balance - Beginning	79,184,648	79,184,648	80,500,308	1,315,660
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**Southwest Florida Water Management District  
Coastal Rivers Basin Special Revenue Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended September 30, 2011**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Ad Valorem Property Taxes	\$ 3,700,520	\$ 3,692,841	\$ (7,679)
Intergovernmental Revenues	3,808,262	1,097,302	(2,710,960)
Interest on Invested Funds	100,000	149,937	49,937
Other	-	126	126
Total Revenues	<u>7,608,782</u>	<u>4,940,206</u>	<u>(2,668,576)</u>
<b>EXPENDITURES</b>			
Current:			
Water Resources Planning and Monitoring	6,684,234	1,392,901	5,291,333
Acquisition, Restoration and Public Works	10,882,808	2,107,069	8,775,739
Operation and Maintenance of Lands and Works	1,157,355	604,355	553,000
Outreach	417,209	299,086	118,123
Management and Administration	671,915	107,172	564,743
Total Expenditures	<u>19,813,521</u>	<u>4,510,583</u>	<u>15,302,938</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,204,739)	429,623	12,634,362
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	-	(13,611,965)	(13,611,965)
Net Change In Fund Balance	<u>(12,204,739)</u>	<u>(13,182,342)</u>	<u>(977,603)</u>
Fund Balance - Beginning	12,204,739	13,182,342	977,603
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**Southwest Florida Water Management District  
Pinellas-Anclote River Basin Special Revenue Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended September 30, 2011**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Ad Valorem Property Taxes	\$ 15,711,275	\$ 15,887,378	\$ 176,103
Intergovernmental Revenues	9,606,244	4,884,243	(4,722,001)
Interest on Invested Funds	1,000,000	1,302,533	302,533
Other	-	900	900
Total Revenues	<u>26,317,519</u>	<u>22,075,054</u>	<u>(4,242,465)</u>
<b>EXPENDITURES</b>			
Current:			
Water Resources Planning and Monitoring	4,014,314	1,229,448	2,784,866
Acquisition, Restoration and Public Works	135,934,127	25,508,991	110,425,136
Operation and Maintenance of Lands and Works	3,880,624	1,024,328	2,856,296
Outreach	1,292,351	770,968	521,383
Management and Administration	2,198,347	386,941	1,811,406
Total Expenditures	<u>147,319,763</u>	<u>28,920,676</u>	<u>118,399,087</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(121,002,244)	(6,845,622)	114,156,622
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	-	(117,035,629)	(117,035,629)
Net Change In Fund Balance	<u>(121,002,244)</u>	<u>(123,881,251)</u>	<u>(2,879,007)</u>
Fund Balance - Beginning	121,002,244	123,881,251	2,879,007
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**Southwest Florida Water Management District**  
**Withlacoochee River Basin Special Revenue Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**For the Year Ended September 30, 2011**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Ad Valorem Property Taxes	\$ 4,247,897	\$ 4,264,102	\$ 16,205
Intergovernmental Revenues	4,419,049	1,502,985	(2,916,064)
Interest on Invested Funds	90,000	135,053	45,053
Other	-	295	295
Total Revenues	<u>8,756,946</u>	<u>5,902,435</u>	<u>(2,854,511)</u>
<b>EXPENDITURES</b>			
Current:			
Water Resources Planning and Monitoring	7,250,484	2,076,102	5,174,382
Acquisition, Restoration and Public Works	9,313,950	888,614	8,425,336
Operation and Maintenance of Lands and Works	2,195,259	1,365,937	829,322
Outreach	473,983	341,649	132,334
Management and Administration	394,395	167,725	226,670
Total Expenditures	<u>19,628,071</u>	<u>4,840,027</u>	<u>14,788,044</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,871,125)	1,062,408	11,933,533
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	-	(12,673,582)	(12,673,582)
Net Change In Fund Balance	<u>(10,871,125)</u>	<u>(11,611,174)</u>	<u>(740,049)</u>
Fund Balance - Beginning	10,871,125	11,611,174	740,049
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**Southwest Florida Water Management District  
Peace River Basin Special Revenue Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended September 30, 2011**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Ad Valorem Property Taxes	\$ 6,358,645	\$ 6,435,698	\$ 77,053
Intergovernmental Revenues	21,268,029	3,266,369	(18,001,660)
Interest on Invested Funds	170,000	250,846	80,846
Other	-	465	465
Total Revenues	<u>27,796,674</u>	<u>9,953,378</u>	<u>(17,843,296)</u>
<b>EXPENDITURES</b>			
Current:			
Water Resources Planning and Monitoring	4,171,622	1,552,609	2,619,013
Acquisition, Restoration and Public Works	40,183,599	8,213,622	31,969,977
Operation and Maintenance of Lands and Works	1,590,636	686,040	904,596
Outreach	1,328,829	668,042	660,787
Management and Administration	559,298	248,606	310,692
Total Expenditures	<u>47,833,984</u>	<u>11,368,919</u>	<u>36,465,065</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,037,310)	(1,415,541)	18,621,769
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	-	(20,706,667)	(20,706,667)
Net Change In Fund Balance	(20,037,310)	(22,122,208)	(2,084,898)
Fund Balance - Beginning	20,037,310	22,122,208	2,084,898
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**Southwest Florida Water Management District  
 Manasota Basin Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
 For the Year Ended September 30, 2011**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Ad Valorem Property Taxes	\$ 9,549,081	\$ 9,609,428	\$ 60,347
Intergovernmental Revenues	9,154,233	2,452,250	(6,701,983)
Interest on Invested Funds	350,000	464,300	114,300
Other	-	860	860
Total Revenues	<u>19,053,314</u>	<u>12,526,838</u>	<u>(6,526,476)</u>
<b>EXPENDITURES</b>			
Current:			
Water Resources Planning and Monitoring	4,803,968	1,981,833	2,822,135
Acquisition, Restoration and Public Works	48,481,770	10,761,143	37,720,627
Operation and Maintenance of Lands and Works	1,781,709	482,032	1,299,677
Outreach	702,476	461,496	240,980
Management and Administration	915,328	169,738	745,590
Total Expenditures	<u>56,685,251</u>	<u>13,856,242</u>	<u>42,829,009</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(37,631,937)	(1,329,404)	36,302,533
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	-	(38,482,074)	(38,482,074)
Net Change In Fund Balance	<u>(37,631,937)</u>	<u>(39,811,478)</u>	<u>(2,179,541)</u>
Fund Balance - Beginning	37,631,937	39,811,478	2,179,541
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**Southwest Florida Water Management District  
 DOT Mitigation Special Revenue Fund  
 Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
 For the Year Ended September 30, 2011**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
<b>REVENUES</b>			
Intergovernmental Revenues	\$ 5,630,055	\$ 942,464	\$ (4,687,591)
Interest on Invested Funds	-	42,446	42,446
Total Revenues	5,630,055	984,910	(4,645,145)
<b>EXPENDITURES</b>			
Current:			
Acquisition, Restoration and Public Works	5,630,055	1,276,389	4,353,666
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(291,479)	(291,479)
Fund Balance - Beginning	-	291,479	291,479
Fund Balance - Ending	\$ -	\$ -	\$ -

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

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# Notes to the Financial Statements

The notes to the financial statements contain a summary of significant accounting policies and other notes considered necessary for a clear understanding of the financial statements.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
**September 30, 2011**

**Description**

The Southwest Florida Water Management District (District) is one of five regional water management districts charged by Chapter 373 of the Florida Statutes to preserve and protect the state's water resources. The District covers all or parts of 16 counties along Florida's central west coast. Approximately 17 percent of the state's total land area and roughly a quarter of its population are contained within the boundaries of the District, which stretches from Levy County in the north to Charlotte County in the south and inland as far as Highlands and Polk counties.

**I. Summary of significant accounting policies**

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

**A. Reporting entity**

The District is an independent special district of the State of Florida and is governed by a 13-member board, which is appointed by the Governor of Florida and confirmed by the Senate. As required by GAAP, these financial statements include all operations for which the District is financially accountable. The District is a component unit of the State of Florida for financial reporting purposes and these financial statements will be included in the State of Florida's Comprehensive Annual Financial Report as a discretely presented component unit for the fiscal year ending June 30, 2012.

**B. Government-wide and fund financial statements**

The government-wide financial statements consist of a statement of net assets and a statement of activities that report information about the District as a whole. The statement of net assets reports all financial and capital resources of the District.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include: (1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given program and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Ad valorem property tax revenue and other items are not reported as program revenues; instead, they are general revenues of the District.

Fund financial statements are presented to report additional and detailed information about the District. Fund financial statements accompany the government-wide financial statements and present a summary reconciliation to explain differences between the data reported in the governmental funds and the data reported for the corresponding governmental activities in the government-wide financial statements.

**C. Measurement focus, basis of accounting, and financial statement presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
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expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Ad valorem property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments are recorded only when such liabilities have matured.

Ad valorem property taxes are recorded as revenues in the fiscal year in which the taxes are due and collected within 60 days of fiscal year-end. Intergovernmental revenues are recognized at the time related expenditures are incurred, if such amounts are expected to be collected within one year. Investment earnings are recognized when earned. All other revenue items are recognized when earned and are both measurable and available.

The District reports the following major governmental funds:

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

During fiscal year 2011, the District had eight *special revenue funds* that were maintained to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Seven of the special revenue funds are for watershed basins that are financed by ad valorem property taxes and supplemented by grants from federal, state, and local governments. The basins account for revenue sources that are legally restricted to expenditures for specified purposes within the respective basin, offering a local perspective to water management projects and programs. A unique fund has been established for each of the individual watershed basins as follows:

- Alafia River Basin
- Hillsborough River Basin
- Coastal Rivers Basin
- Pinellas-Anclote River Basin
- Withlacoochee River Basin
- Peace River Basin
- Manasota Basin

Effective May 31, 2011, the District's Governing Board revoked all prior basin boundary designations and merged all basin boundaries into the boundary of the District. As a result, the seven basins no longer exist as ad valorem taxing units. The respective ending fund balances as of September 30, 2011 were transferred to the general fund as restricted fund balance.

The *DOT Mitigation Fund* accounts for revenue sources received from the State of Florida that are restricted for mitigation activities, pursuant to Section 373.4137, Florida Statutes. The state mandated Florida Department of Transportation (FDOT) program requires that mitigation to offset the adverse wetland impacts of transportation projects be funded by the FDOT and be carried out through the Florida Department of Environmental Protection and the water

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
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management districts, in consultation with federal, state and local agencies' regulatory requirements (see Note I.E.7., page 33).

The District has two *capital projects funds* that are maintained to account for financial resources to be used for the acquisition or construction of major capital projects.

The *Florida Forever Fund* accounts for financial resources received from the State of Florida and local governments for the acquisition of lands necessary for water management, water supply, and conservation of water resources under the Florida Forever land acquisition program (see Note I.E.7., page 33).

The *Facilities Fund* accounts for financial resources from the District's general fund for the acquisition of land and construction and major renovations of District facilities.

**D. Classification of expenditures**

The District currently categorizes the revenues, expenditures, and budget data it submits to the Executive Officer of the Governor, the Department of Environmental Protection and the Legislature by six program areas. These programs, which are set forth in Section 373.536(5)(d)4., Florida Statutes, are:

1.0 Water Resources Planning and Monitoring

This program includes all water management planning, including water supply planning, development of minimum flows and levels, and other water resources planning; research, data collection, analysis, and monitoring; and technical assistance (including local and regional plan and program review).

2.0 Acquisition, Restoration and Public Works

This program includes the development and construction of all capital projects (except for those contained in Program 3.0), including water resource development projects/water supply development assistance, water control projects, and support and administrative facilities construction; land acquisition (i.e., Florida Forever program); and the restoration of lands and water bodies.

3.0 Operation and Maintenance of Lands and Works

This program includes all operation and maintenance of facilities, flood control and water supply structures, lands, and other works authorized by Chapter 373, Florida Statutes.

4.0 Regulation

This program includes water use permitting, water well construction permitting, water well contractor licensing, environmental resource and surface water management permitting, permit administration, compliance and enforcement, and any delegated regulatory program.

5.0 Outreach (Public Education)

This program includes all environmental education activities, such as water conservation campaigns and water resources education; public information activities; all lobbying activities relating to local, regional, state, and federal governmental affairs; and all public relations activities, including public service announcements and advertising in any media.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
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6.0 Management and Administration

This program includes all governing and basin board support; executive support; management information systems; unrestricted reserves for contingencies; and general counsel, ombudsman, human resources, finance, audit, risk management, and administrative services.

**E. Assets, liabilities, and net assets**

**1. Cash and investments**

Cash balances are pooled for investment purposes and tracked by fund with the exception of advanced funds that are restricted assets, which are separately invested. Cash includes cash-on-hand and demand deposits. Interest earned from investments is allocated to the respective funds based on each fund's average equity in the pooled fund.

Investments are stated at fair value pursuant to GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. It is the practice of the District to hold all government securities to maturity.

The District has limited its investments to the following investments authorized in Section 218.415, Florida Statutes: (a) Local Government Surplus Funds Trust Fund (known as Florida PRIME and Pool B); (b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency, limited to two types of money market funds: (1) Treasury funds investing exclusively in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities or (2) Government funds which invest in U.S. Treasury and U.S. government agency and instrumentalities securities and repurchase agreements collateralized by U.S. government securities; (c) Savings accounts in state-certified public depositories, as defined in Section 280.02, Florida Statutes; (d) Certificates of deposit in state-certified public depositories, as defined in Section 280.02, Florida Statutes; (e) Direct obligations of the U.S. Treasury; and (f) Direct obligations of federal agencies and instrumentalities.

**2. Inventories**

Inventories are carried at average cost and consist of expendable supplies held for consumption. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

**3. Restricted assets**

Certain proceeds, including interest income, cash restricted for the basins, and advanced funds received, of the general fund (\$6,098,744), Alafia River Basin Fund (\$19,372,713), Hillsborough River Basin Fund (\$87,661,710), Coastal Rivers Basin Fund (\$15,366,461), Pinellas-Anclote River Basin Fund (\$127,734,893), Withlacoochee River Basin Fund (\$13,864,317), Peace River Basin Fund (\$28,612,908), Manasota Basin Fund (\$46,023,488), DOT Mitigation Fund (\$12,434,164), and the Florida Forever Fund (\$4,809,163) are classified as restricted assets on the statement of net assets because their use is limited to specific purposes as identified within their related agreements or as required by Florida Statutes.

**4. Capital assets**

Capital assets, both tangible and intangible, which include land, land interests, buildings, equipment, infrastructure assets (e.g., bridges, water control structures, levees and similar items) and software, are reported only in the government-wide financial statements. Tangible capital

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assets are those acquired for general government purposes with an initial, individual cost equal to or more than \$1,000 and an estimated useful life of more than one year. Intangible capital assets are those acquired for general government purposes with an initial, individual cost equal to or more than \$5,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost if purchased or constructed. Donated assets are recorded at their estimated fair value at the date of the donation. The estimated fair value is based on the most recent appraisal documentation available. Maintenance, repairs and minor renovations are not capitalized.

Capital assets of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	5 - 50
Machinery & Equipment	3 - 15
Infrastructure	20 - 50
Software	3 - 5
Other	5

**5. Compensated absences**

District employees earn vacation and sick leave benefits based on hours worked. Vacation leave benefits are fully vested when earned and employees can carry forward from one fiscal year to the next up to 360 hours of accumulated vacation leave. Effective September 12, 2011, vacation leave is vested after 6 months. Sick leave benefits do not vest until an employee has earned five years of creditable service with the District. Upon retirement, death, resignation or separation in good standing, an employee is eligible to receive, at his/her current rate of pay, 100 percent of accumulated vacation benefits and either 25, 30 or 35 percent (depending on their number of years of service) of accumulated vested sick leave benefits (up to a maximum of 480 hours).

The accrued liability for compensated absences represents the liability for accrued vacation and sick leave benefits for employees currently eligible or likely to become eligible to receive those leave benefits in the future. The District permits employees to accumulate earned but unused vacation and sick leave benefits. The amount estimated to be used in subsequent fiscal years is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

**6. Fund balances**

On October 1, 2010, the District adopted the provisions of Governmental Accounting Standards Board Statement Number 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. Fund balance is divided into five classifications based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources in the government funds. The classifications are as follows:

Nonspendable – includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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Restricted – includes amounts where constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

Committed – includes amounts that can only be used for specific purposes pursuant to constraints imposed by a formal action of the District's highest level of decision-making authority. The District Governing Board, being the District's highest level of decision-making authority establishes, modifies or rescinds the commitment of funds for specific purposes through Board resolutions.

Assigned – includes amounts that are intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. The authority for making an assignment is not required to be the government's highest level of decision-making authority. It can include a body (a budget or finance committee, for example) or an official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. Assignment of fund balance may be (a) made for a specific purpose that is narrower than the general purposes of the District itself; and/or (b) used to reflect the appropriation of a portion of existing unassigned fund balance to eliminate a projected deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues. In accordance with the District's Fund Balance Policy, assigned fund balance shall reflect management's intended use of resources as set forth in the annual budget (and any amendments thereto).

Unassigned – includes the residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. In addition, stabilization arrangements that do not meet the criteria to be reported within the restricted or committed fund balance classifications should be reported as unassigned in the general fund.

Through a Governing Board Resolution, the District established an Economic Stabilization Fund from the Unassigned General Fund Balance in the amount of \$19 million, to maintain sufficient working capital for a two-month period. The amount of the reserve is established annually during the budgetary process for the next fiscal year, and will fluctuate (increase/decrease) based on the amount of funds needed to maintain sufficient working capital for a two-month period. The reserve is to provide sufficient funds for unforeseen and unexpected events, meet major emergencies (that could not be covered through annually budgeted contingency funds) and ensure the District's continued orderly operational and financial stability. The use of the Economic Stabilization Fund would require a budget amendment approved by the District's Governing Board.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements with specific matching requirements. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

## **7. State trust funds**

Under Florida Statutes, the District is entitled to monies from the State of Florida, which are allocated and appropriated to various trust funds. Monies are released to the District for various programs when eligibility requirements have been met. It is the District's policy to recognize monies received through these state trust funds as intergovernmental revenues at the time an eligible cost has been incurred.

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The Water Management Lands Trust Fund was established in 1981 pursuant to Section 373.59, Florida Statutes. Funded primarily from a portion of the documentary stamp taxes collected by the state, the non lapsing trust fund provides funding to the District for 1) ongoing management, maintenance, and capital improvements of lands; 2) payments in lieu of taxes; 3) pre-acquisition costs associated with land purchases; and 4) the Surface Water Improvement and Management (SWIM) Program. Revenues received from the trust fund are accounted for in the District's general fund, the watershed basin funds, and the Florida Forever Fund. The Florida Department of Environmental Protection (FDEP) has oversight responsibility for this trust fund.

The Florida Forever Trust Fund was established in 1999 pursuant to Section 259.105, Florida Statutes. The Florida Forever program is the successor program to the Florida Preservation 2000 program. The Trust is funded through bond proceeds and may be used for land acquisition (including less-than-fee purchases), pre-acquisition costs associated with land purchases, water resource development, storm water management, water body restoration, recreational facility construction, public access improvements, invasive plant control and related projects. Over the life of the program, at least 50 percent of the funds must be spent on land acquisition. Revenues received from the trust fund are accounted for in the Florida Forever and Peace River Basin Funds. The FDEP has oversight responsibility for this trust fund.

The Ecosystem Management and Restoration Trust Fund was established in 1996 pursuant to Section 403.1651, Florida Statutes. The trust fund is funded through various sources, such as documentary stamp taxes, transfers from other trust funds, general revenues, interest earnings and fines. It provides funding to the District for the detailed planning and implementation of programs for the management and restoration of ecosystems, including the SWIM Program, Facilitating Agricultural Resource Management Systems Program and the Weeki Wachee River. Revenues received from the trust fund are accounted for in the District's general fund and the watershed basin funds. The FDEP has oversight responsibility for this trust fund.

The Water Protection and Sustainability Trust Fund was established in 2005 pursuant to Section 403.890, Florida Statutes, and is funded by excise tax proceeds. The State's Water Protection and Sustainability Program (WPSP) provides funds for the District Governing and Basin Boards' highly effective partnership programs (i.e., Water Supply and Resource Development and Cooperative Funding) for alternative water supply development assistance, the Basin Boards' SWIM Program and other surface water restoration activities in the water management district designated priority water bodies, and the West-Central Florida Water Restoration Action Plan. Revenues received from the trust fund are accounted for in the District's general fund and the watershed basin funds. The FDEP has oversight responsibility for this trust fund.

The State Transportation Trust Fund was established in 1931 pursuant to Section 206.46, Florida Statutes. The trust fund is funded through gas tax proceeds as authorized by Chapter 83-3, Laws of Florida, and such other funds which accrue to the Florida Department of Transportation (FDOT) which are not required to be maintained in separate trust funds. It provides funding to the District for mitigation activities that offset the adverse wetland impacts of transportation projects. Revenues received from the trust fund are accounted for in the District's general fund (indirect charges) and the DOT Mitigation Fund. The FDOT has oversight responsibilities for this trust fund.

## **8. Use of estimates**

Management of the District has made a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
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**II. Reconciliation of government-wide and fund financial statements**

**A. Explanation of certain differences between the governmental funds balance sheet and the government-wide statement of net assets.**

The governmental funds balance sheet includes reconciliation between *fund balances—total governmental funds* and *net assets of governmental activities* as reported in the government-wide statement of net assets.

One element of that reconciliation states that “Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.”

The details of the \$22,448,284 difference are as follows:

Judgment (Skyway Trap and Skeet Club, Inc., see Note IV.H., page 41)	\$14,895,243
Compensated Absences	5,819,077
Other Post Employment Benefits (see Note V.D., page 45)	1,041,964
Claims (Workers’ Compensation) (see Note V.A., page 42)	<u>692,000</u>
Net adjustment to reduce <i>fund balances—total governmental funds</i> to arrive at <i>net assets of governmental activities</i>	<u>\$22,448,284</u>

**B. Explanation of the differences between the governmental funds statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.**

The governmental funds statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net change in fund balances—total governmental funds* and *change in net assets of governmental activities* as reported in the government-wide statement of activities. One element of the reconciliation explains that, “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.”

The details of this \$5,922,340 difference are as follows:

Capital outlay	\$18,123,696
Depreciation expense	<u>(12,201,356)</u>
Net adjustment to increase <i>net change in fund balances—total governmental funds</i> to arrive at <i>change in net assets of governmental activities</i>	<u>\$5,922,340</u>

Another element of that reconciliation states that, “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations and adjustments) is to decrease net assets.”

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
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The details of this \$(1,257,926) difference are as follows:

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.	\$(1,719,415)
Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	<u>461,489</u>
Net adjustment to decrease <i>net change in fund balances—total governmental funds</i> to arrive at <i>change in net assets of governmental activities</i> .	<u>\$(1,257,926)</u>

Another element of that reconciliation states, "Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds." The \$128,947 difference is the net effect of taxes related to the current period that were recorded as revenue, and taxes relating to prior years that were eliminated from revenue.

Another element of that reconciliation states, "The borrowing of resources associated with a capital lease provides current financial resources to governmental funds, while the repayment of the principal of the long-term borrowing consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets." The \$871,253 difference is the effect of the repayment of principal associated with the long-term borrowing.

The final element of the reconciliation states that, "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this \$4,075,475 difference are as follows:

Judgment (Skyway Trap and Skeet Club, Inc., see Note IV.H., page 41)	\$3,054,979
Compensated absences	1,201,373
Other Post Employment Benefits (see Note V.D., page 45)	<u>(180,877)</u>
Net adjustment to increase <i>net change in fund balances – total governmental funds</i> to arrive at <i>change in net assets of governmental activities</i>	<u>\$4,075,475</u>

**III. Stewardship, compliance and accountability**

**A. Budgetary information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Annual appropriated budgets for fiscal year 2011 were adopted by the Governing and Basin Boards for all governmental funds and may be amended by District Governing Board action for supplemental budgetary appropriations. Remaining encumbered appropriations at fiscal year-end are carried forward and reappropriated in the following fiscal year. Unencumbered appropriations lapse at fiscal year-end.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
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The District Governing Board approves budget transfers among departments and capital projects during the year. Expenditures in excess of appropriations in one or more departments of a fund do not constitute a violation of budgetary controls as long as total expenditures do not exceed total appropriations for the fund. Budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

**IV. Detailed notes**

**A. Cash and investments**

As of September 30, 2011, the District had the following cash and investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
U.S. Agencies	\$ 411,354,775	2.70
U.S. Treasuries	39,982,050	0.18
State Board of Administration Florida PRIME	228,169,520 <sup>(1)</sup>	0.10
State Board of Administration Fund B	5,018,143 <sup>(1)</sup>	4.82
Money Market Funds	4,959,129	liquid daily
Total Fair Value of Investments	<u>689,483,617</u>	
Portfolio weighted average maturity		1.69
Demand Deposit Accounts	16,503,913 <sup>(2)</sup>	
Petty Cash	1,250	
Total Demand Deposits and Petty Cash	<u>16,505,163</u>	
Total Cash and Investments	<u>\$ 705,988,780</u>	

<sup>(1)</sup> The District participates in the State Board of Administration's (SBA) Florida PRIME and Fund B. As a Florida PRIME and Fund B participant, the District invests in pools of investments whereby the District owns a share of the respective pool, not the underlying securities. GASB Statement No. 31, titled *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, applies to Florida PRIME and Fund B. GASB 31 outlines the two options for accounting and reporting for money market investment pools as either "2a-7 like" or fluctuating net asset value (NAV). GASB 31 describes a "2a-7 like" pool as an external investment pool that is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with Rule 2a-7 under the Investment Company Act of 1940 (the 1940 Act). Rule 2a-7 is the rule that permits money market funds to use amortized cost to maintain a constant NAV of \$1.00 per share, provided that such funds meet certain conditions.

Florida PRIME is considered a SEC "2a-7 like" fund, thus the account balance is also considered the fair value of the District's investment.

Fund B is accounted for as a fluctuating NAV pool. The fair value factor for September 30, 2011, was 0.7568386. The account balance was multiplied by the fair value factor in order to report the fair value of the District's investment in Fund B. Currently, participants are unable to withdraw funds from Fund B. Rather as cash becomes available in Fund B from interest receipts, maturities, or sales, it is distributed to participant accounts in Florida PRIME according to each participant's pro rata share of Fund B. All such distributions from Fund B to Florida PRIME will be 100 percent available for withdrawal upon transfer.

<sup>(2)</sup> At September 30, 2011, the carrying amount of the District's cash demand deposit account was \$16,503,913 and the bank balance was \$26,926,937. The District actively manages its cash balance and invests excess cash on a daily basis.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
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**Interest rate risk:** In accordance with the District's investment policy, the exposure to declines in fair values is managed by limiting the weighted average maturity of its investment portfolio to three years or less. Of the District's investments in U.S. Agencies, \$350,463,975 is callable by the issuers and is subject to the risk of being called prior to maturity. For purposes of calculating the weighted average maturity (years), it is anticipated that all investments will be held until maturity.

An estimate of weighted average life (WAL) is available for Fund B. In the calculation of WAL, the time at which an expected principal amount is to be received (measured in years) is weighted by the principal amount received at that time divided by the sum of all expected principal payments. The principal amounts used in the WAL calculation are not discounted to present value as they would be in a weighted average duration calculation. The WAL (based on expected future cash flows) of Fund B at September 30, 2011, is estimated at 4.82 years. However, because Fund B consists of restructured or defaulted securities there is considerable uncertainty regarding the weighted average life.

**Credit Risk:** In accordance with the District's investment policy, the District minimizes credit risk, the risk of loss due to the failure of the security, by limiting investments to the authorized investments in the investment policy (see note I.E.1., page 30), pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the District will do business, and diversifying the investment portfolio to protect against losses on individual securities. All of the District's investments in the U.S. Agencies were rated AAA by Standard and Poor's and Aaa by Moody's Investor Services. The SBA Florida PRIME is rated by Standard and Poors. The current rating is AAAM. The SBA Fund B is not rated by any nationally recognized statistical rating agency. The money market funds in which the District has invested funds were rated AAAM by Standard and Poor's and Aaa by Moody's Investor Services.

**Concentration of Credit Risk:** The District's policy authorizes investment allocation limits on security types, maturity and issuer limitations which may be modified by the Finance Director from time to time based on market conditions, risk and diversification investment strategies.

At September 30, 2011, the District had the following percentage allocation by issuer:

<u>Issuer</u>	<u>Percentage of Total Portfolio</u>
State Board of Administration Florida PRIME	33.09 %
Federal Home Loan Bank	20.42
Federal Farm Credit Bank	15.98
Federal National Mortgage Association	11.65
Federal Home Loan Mortgage Corporation	11.61
U. S. Treasury Bills	5.80
State Board of Administration Fund B	0.73
Federated Government Obligation Fund IS	0.72
	<u>100.00 %</u>

**Custodial Credit Risk - Deposits:** At September 30, 2011, the District's deposits were entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, Florida Statutes. Under this chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
**September 30, 2011**

**Custodial Credit Risk - Investments:** The District's investment policy requires that all securities be held with a third-party custodian in a separate account which is registered as an asset of the District. The custodian acts as the safekeeper of the District's investment securities. No withdrawal of securities, in whole or in part, is made from safekeeping without written authorization of designated District staff.

**B. Receivables**

Receivables at year-end for the District's individual major funds are as follows:

<u>Fund</u>	<u>Intergovernmental</u>	<u>Interest</u>	<u>Total Receivables</u>
General	\$ 8,826,820	\$ 1,114,434	\$ 9,941,254
Florida Forever	310,659	-	310,659
<b>Total</b>	<b>\$ 9,137,479</b>	<b>\$ 1,114,434</b>	<b>\$ 10,251,913</b>

**C. Property Taxes**

Ad valorem property taxes are computed using property values at January 1 of each year and are considered to be levied upon the District Governing Board's adoption of the final millage rate in September. The taxes are due November 1 and become delinquent April 1 of the following year. A four percent discount is allowed if the taxes are paid in November, with the discount declining by one percent each month thereafter. Tax certificates for the full amount of any unpaid taxes on real property and assessments must be sold no later than June 1 of each year at which time a lien attaches to the property.

**D. Deferred Revenue**

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned because all eligibility requirements have not been met. At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
General		
Delinquent property taxes receivable	\$ 1,010,108	-
Grant drawdowns prior to meeting all eligibility requirements	-	\$ 20,246,784
DOT Mitigation		
Grant drawdowns prior to meeting all eligibility requirements	-	12,421,243
Florida Forever		
Grant drawdowns prior to meeting all eligibility requirements	-	4,601,071
<b>Total deferred revenue for governmental funds</b>	<b>\$ 1,010,108</b>	<b>\$ 37,269,098</b>

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
**September 30, 2011**

**E. Capital Assets**

Capital asset activity for the year ended September 30, 2011, was as follows:

	Balance at October 1, 2010	Increases	Decreases	Reclassifications	Balance at September 30, 2011
Capital assets, not being depreciated:					
Land	\$ 609,786,081	\$ 3,368,914	\$ (1,547,946)	\$ (657,124)	\$ 610,949,925
Land Interests	98,798,003	1,552,522	-	657,124	101,007,649
Construction in Progress	27,260,320	3,816,045	-	(4,818,601)	26,257,764
<b>Total capital assets, not being depreciated</b>	<b>735,844,404</b>	<b>8,737,481</b>	<b>(1,547,946)</b>	<b>(4,818,601)</b>	<b>738,215,338</b>
Capital assets, being depreciated:					
Buildings	36,873,282	1,332,725	(111,258)	-	38,094,749
Machinery and Equipment	32,677,039	2,543,519	(2,042,804)	-	33,177,754
Infrastructure	119,640,428	45,345	-	4,818,601	124,504,374
Software	16,432,064	5,926,115	-	-	22,358,179
Other	181,942	-	(22,634)	-	159,308
<b>Total capital assets being depreciated</b>	<b>205,804,755</b>	<b>9,847,704</b>	<b>(2,176,696)</b>	<b>4,818,601</b>	<b>218,294,364</b>
Less accumulated depreciation for:					
Buildings	9,971,381	1,023,680	(101,885)	-	10,893,176
Machinery and Equipment	19,786,961	3,797,959	(1,882,894)	-	21,702,026
Infrastructure	50,660,991	2,838,014	-	-	53,499,005
Software	8,404,194	4,527,178	-	-	12,931,372
Other	114,287	14,525	(20,448)	-	108,364
<b>Total accumulated depreciation</b>	<b>88,937,814</b>	<b>12,201,356</b>	<b>(2,005,227)</b>	<b>-</b>	<b>99,133,943</b>
<b>Total capital assets, being depreciated, net</b>	<b>116,866,941</b>	<b>(2,353,652)</b>	<b>(171,469)</b>	<b>4,818,601</b>	<b>119,160,421</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 852,711,345</b>	<b>\$ 6,383,829</b>	<b>\$ (1,719,415)</b>	<b>\$ -</b>	<b>\$ 857,375,759</b>

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
**September 30, 2011**

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

Governmental activities	
Water Resources Planning and Monitoring	\$ 355,843
Acquisition, Restoration and Public Works	2,674,666
Operation and Maintenance of Lands and Works	1,994,425
Regulation	4,683
Management and Administration	7,171,739
Total depreciation expense - governmental activities	<u>\$ 12,201,356</u>

**F. Interfund transfers**

Interfund transfers occurring during fiscal year 2011 are as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 300,042,655	\$ -
Alafia River Basin	-	14,365,627
Hillsborough River Basin	-	83,167,111
Coastal Rivers Basin	-	13,611,965
Pinellas-Anclote River Basin	-	117,035,629
Withlacoochee River Basin	-	12,673,582
Peace River Basin	-	20,706,667
Manasota Basin	-	38,482,074
	<u>\$ 300,042,655</u>	<u>\$ 300,042,655</u>

Interfund Transfers In and Interfund Transfers Out are used for the following purposes:

On September 30, 2011, the individual watershed Basin Fund balances were transferred to the general fund as restricted fund balance.

**G. Leases**

*Operating Leases*

The District has lease commitments under various operating leases for offices and associated parking space, and Supervisory Control and Data Acquisition (SCADA) tower leases with the longest operating lease in effect until 2016. Lease expenditures for the year ended September 30, 2011, amounted to \$912,041.

Future minimum lease payments for the non-cancelable operating leases with remaining terms of more than one year are as follows:

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
**September 30, 2011**

Fiscal Year Ending September 30,	Minimum Lease Payments
2012	\$ 91,805
2013	18,788
2014	11,538
2015	4,040
2016	1,500
	\$ 127,671

*Capital Leases*

In fiscal year 2008, the District entered into a lease agreement as lessee for financing the acquisition of the Storage Area Network (SAN) and related hardware, software, warranty and services. The lease agreement qualified as a capital lease for accounting purposes and was recorded at the present value of the future minimum lease payments as of the inception date. The initial capital lease payable was \$1,995,697, with four payments made totaling the full \$1,995,697, leaving a lease payable balance of zero at September 30, 2011.

In fiscal year 2009, the District entered into a lease agreement as lessee for financing the acquisition of infrastructure network equipment. The lease agreement qualified as a capital lease for accounting purposes and was recorded at the present value of the future minimum lease payments as of the inception date. The initial capital lease payable was \$947,744, with an initial payment of \$16,000 paid by the vendor, and four payments totaling \$931,744 paid by the District equaling the full \$947,744, leaving a lease payable balance of zero at September 30, 2011.

**H. Long-term obligations**

Long-term liability activity for the year ended September 30, 2011, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
Judgment	\$ 17,950,222	\$ -	\$ 3,054,979	\$ 14,895,243 <sup>(1)</sup>	\$ 10,339,162
Compensated Absences	7,020,450	-	1,201,373	5,819,077 <sup>(2)</sup>	581,908
Other Post Employment Benefits	861,087	408,329	227,452	1,041,964 <sup>(2)</sup>	-
Capital Leases	871,253	-	871,253	-	-
Workers' Compensation	692,000	201,825	201,825	692,000 <sup>(3)</sup>	260,312
<b>Total</b>	<b>\$ 27,395,012</b>	<b>\$ 610,154</b>	<b>\$ 5,556,882</b>	<b>\$ 22,448,284</b>	<b>\$ 11,181,382</b>

<sup>(1)</sup> In fiscal year 2004, the District settled a legal matter, which obligates each of the parties to perform certain activities. The District estimated its cost to comply with the judgment at \$19.8 million based on cost estimates obtained from a third-party engineer. The estimated obligation remaining at September 30, 2011 is \$14.9 million. The restricted fund balance for the former Pinellas-Anclote River Basin will be used to satisfy the obligations for the judgment.

<sup>(2)</sup> The general fund will be used to satisfy the obligations for the compensated absences and other post employment benefits.

<sup>(3)</sup> The general fund will be used to pay for workers' compensation claims.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
**September 30, 2011**

**I. Fund Balance**

Fund balances for all major funds at September 30, 2011 were as follows:

	<u>General Fund</u>	<u>Facilities Fund</u>	<u>Total All Funds</u>
<b>Nonspendable:</b>			
Inventory	\$ 40,754	\$ -	\$ 40,754
Total Nonspendable	<u>40,754</u>	<u>-</u>	<u>40,754</u>
<b>Restricted for:</b>			
Alafia River Basin	14,365,627	-	14,365,627
Hillsborough River Basin	83,167,111	-	83,167,111
Coastal Rivers Basin	13,611,965	-	13,611,965
Pinellas-Anclote River Basin	117,035,629	-	117,035,629
Withlacoochee River Basin	12,673,582	-	12,673,582
Peace River Basin	20,706,667	-	20,706,667
Manasota Basin	38,482,074	-	38,482,074
Total Restricted	<u>300,042,655</u>	<u>-</u>	<u>300,042,655</u>
<b>Committed to:</b>			
Long-term Projects Reserve	50,000,000	-	50,000,000
Total Committed	<u>50,000,000</u>	<u>-</u>	<u>50,000,000</u>
<b>Assigned to:</b>			
Short-term Projects Reserve	92,110,814	1,427,286	93,538,100
Encumbrances	87,045,936	2,997,542	90,043,478
Workers' Compensation Reserve	692,000	-	692,000
Land Management Activities	1,673,634	-	1,673,634
Subsequent Years Budget	2,853,182	39,285	2,892,467
Total Assigned	<u>184,375,566</u>	<u>4,464,113</u>	<u>188,839,679</u>
<b>Unassigned:</b>	<u>40,647,870</u>	<u>-</u>	<u>40,647,870</u>
Total Fund Balances	<u>\$ 575,106,845</u>	<u>\$ 4,464,113</u>	<u>\$ 579,570,958</u>

**V. Other information**

**A. Risk Management**

The District is exposed to various risks of loss related to: tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural or manmade disasters. The District purchases commercial insurance coverage's for all liabilities except workers' compensation as discussed below. During the year ended September 30, 2011, there were no significant reductions in insurance coverage from the prior year. In addition, no claims settlement has exceeded the insurance coverage amounts for the past three fiscal years.

The District has a self-insurance program for its workers' compensation exposure, with excess coverage purchased for claims in excess of \$500,000 per occurrence. Current expenditures related to the self-insurance program are accounted for in the District's general fund.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
**September 30, 2011**

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include estimates of prior and current year existing claims and incurred but not reported claims (IBNR). The long-term liability for workers' compensation claims was based on an independent actuarial determination.

Changes in the balances of workers' compensation claims liabilities during the past two years are as follows:

	Year ended 09/30/2011	Year ended 09/30/2010
Unpaid claims, beginning of fiscal year	\$ 692,000	\$ 882,000
Incurred claims, including IBNRs and changes in estimates	201,825	11,209
Claim payments	(201,825)	(201,209)
Unpaid claims, end of fiscal year	<u>\$ 692,000</u>	<u>\$ 692,000</u>

At September 30, 2011, general fund assets of \$692,000 were assigned for the purpose of funding future workers' compensation claims liabilities, with a corresponding assignment of the general funds fund balance.

**B. Commitments and contingencies**

At September 30, 2011, the District had unrestricted net assets of approximately \$279.5 million that may be used to meet the government's ongoing commitments to citizens and creditors. It is the District's intent to use these assets to satisfy contracts and purchase orders in the amount of \$90 million; fund future long and short-term projects in the amount of \$143.5 million; support land management activities in the amount of \$1.7 million; pay claims associated with the District's Workers' Compensation Self-insurance Program in the amount of \$0.7 million; and carry forward \$2.9 million into the fiscal year 2012 budget. The remaining net assets are earmarked for an economic stabilization fund in the amount of \$19 million with the remaining funds being carry forwarded for allocation into the fiscal year 2013 budget.

The District had restricted net assets of \$300 million that must be used for projects in the seven watershed basins.

The District has been named as a defendant in several legal actions resulting from various causes. In the opinion of management and its legal counsel, any ultimate liability to the District resulting from resolution of the suits will not have a material effect on the financial condition of the District.

The District participates in various federal and state grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal and state regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a grantor audit may become a liability of the District.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
**September 30, 2011**

**C. Employee retirement systems and pension plans**

The District contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer defined benefit pension plan and a defined contribution investment plan. The State of Florida Division of Retirement administers the plans. The FRS defined benefit pension plan provides retirement and disability benefits, annual cost-of-living adjustments, a health insurance subsidy and death benefits to plan members and beneficiaries. The Florida Legislature established the FRS under Chapter 121, Florida Statutes, and has sole authority to amend benefit provisions.

In March 2002, the FRS introduced a second retirement plan option – The FRS Investment Plan. The FRS Investment Plan is a defined contribution plan in which the employer's contributions are defined by law. The ultimate benefit, however, depends in part on the performance of the investment funds. The FRS Investment Plan is funded by employer contributions that are based on the employee's salary and FRS membership class. The Investment Plan directs contributions to individual member accounts, and the employee selects the allocation of funds within his/her account. The FRS offers a wide selection of funds from which to choose. The employee's retirement benefit is the value of his/her account at termination. After six years of service, the Investment Plan participant is eligible for the same health insurance subsidy that is provided under the defined benefit pension plan.

Each year, the FRS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the Division of Retirement, Research & Education Section, P.O. Box 9000, Tallahassee, FL 32315-9000, or accessing the FRS web site at <http://www.myfrs.com>.

Until June 30, 2011, the FRS was non-contributory for employees and the District was required to contribute an actuarially determined rate. Effective July 1, 2011, regular class and senior management class District employees are required to contribute 3 percent to their retirement plans. The contribution rates (as applied to covered payroll) by class at September 30, 2011, were as follows:

Retirement Class	Employee Contribution Rate	Employer Contribution Rate	Total Contribution Rate
Regular Class	3.00%	4.91%	7.91%
Senior Management Class	3.00%	6.27%	9.27%
Deferred Retirement Option Program (DROP)	N/A	4.42%	4.42%

Statewide contribution rates are established annually by the Florida Legislature for all participating governmental units. Accordingly, the actuarial information and related disclosures attributable to District employees are not determinable.

The District's contributions to the FRS for the years ended September 2009, 2010 and 2011 were \$4,482,554, \$4,405,197, and \$4,016,225 respectively, equal to the required contributions for each year.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
**September 30, 2011**

**D. Other postemployment benefits (OPEB)**

*Plan Description*

The District's single-employer defined benefit postemployment healthcare plan provides medical and dental benefits utilizing Blue Cross Blue Shield of Florida, as well as a voluntary vision plan to eligible retired employees and their spouses. A participant is eligible to receive benefits from the District's plan upon retirement under the Florida Retirement System plan provisions. Under the defined benefit pension plan, participants are eligible at age 62 with 6 years of service, or any age with 30 years of service; if an employee was hired on or after July 1, 2011, the participant is eligible at age 65 with 8 years of service, or at any age with 33 years of service; and under the defined contribution investment plan, participants are eligible at age 55 with 6 years of service or any age with 30 years of service. To be eligible for retiree medical and dental benefits, the participant must have been covered under the medical plan as an active employee immediately prior to retirement. In addition, the District also provides a premium subsidy to reduce the cost of medical coverage for retirees until age 65. The subsidy consists of a reduction to the medical premium paid by retirees equal to \$5 per month for each year of service. A minimum of 6 years of service at retirement is necessary to qualify for the subsidy. The subsidy has a maximum amount payable of \$150 per month. The subsidy ceases at age 65 or Medicare enrollment, whichever is earlier. Substantially all of the District's participating employees become eligible for this benefit if they reach normal retirement age while working for the District. Retiree and spousal coverage is provided for the lifetime of the participant. However, the subsidy benefit is only payable until age 65, as the option of enrolling in Medicare is a much more attractive option at a lower cost. The District accounts for this plan in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The Plan does not issue a separate financial report.

*Funding Policy*

The contribution requirements of plan members are established and may be amended by the District's Governing Board. The District's employer OPEB contributions consist of an implicit rate subsidy and the cost of the premium subsidy. The District, in accordance with Section 112.0801, Florida Statutes, makes the health and dental benefits available for retired employees at a premium cost of no more than applicable to active employees. However, the retirees pay 100 percent of their premium costs less the premium subsidy. To determine the healthcare plan costs, the District is required to commingle the claims experience of the retiree group with that of the active employees. The table listed below summarizes monthly retiree contributions for 2011.

	Retiree	Retiree + Spouse
Blue Options	\$590.16	\$1,158.60
Blue Choice	\$647.94	\$1,278.42

*Annual OPEB Cost and Net OPEB Obligation*

The District's annual OPEB cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the calculation of the ARC and Net OPEB Obligation for the fiscal year ended September 30, 2011.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
**September 30, 2011**

Determination of Annual Required Contribution:

Normal Cost at year-end	\$ 185,691
Amortization of Unfunded Actuarial Accrued Liability (UAAL)	<u>237,992</u>
Annual Required Contribution	<u>\$ 423,683</u>

Determination of Net OPEB Obligation:

Annual Required Contribution	\$ 423,683
Interest on prior year Net OPEB Obligation	34,443
Adjustment to ARC	<u>(49,797)</u>
Annual OPEB Cost	408,329
Contributions made	<u>(227,452)</u>
Increase in Net OPEB Obligation	180,877
Net OPEB Obligation - beginning of year	<u>861,087</u>
Net OPEB Obligation - end of year	<u>\$1,041,964</u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
09/30/2011	\$408,329	55.7%	\$1,041,964
09/30/2010	367,159	47.4	861,087
09/30/2009	427,364	44.9	667,982

*Funded Status and Funding Progress*

As of September 30, 2011, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$4,115,346, resulting in an unfunded actuarial accrued liability of \$4,115,346.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, as presented below, is required supplementary information and presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Schedule of Funding Progress – Unaudited Required Supplementary Information*

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Liabilities (AAL)	Unfunded Actuarial Liabilities (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
10/1/2010	0	\$4,115,346	\$4,115,346	0.00%	\$43,926,250	9.37%
10/1/2009	0	3,634,792	3,634,792	0.00	44,279,994	8.21
10/1/2008	0	3,950,224	3,950,224	0.00	45,935,926	8.60

The UAAL is being amortized over a 30-year open period in a level dollar amount.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
**September 30, 2011**

*Actuarial Methods and Assumptions*

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 September 30, 2011, actuarial valuation, the Unprojected Unit Credit Actuarial Cost Method was used. Significant methods and assumptions include:

- A discount rate of 4 percent per annum, compounded annually.
- The mortality rate assumption utilized the RPA - 2000 Healthy White Collar Tables, projected to 2007 using Projection Scale AA. Then increased by 33.5 percent for males and 15.0 percent for females.
- An inflation rate of 2.75 percent.
- A healthcare cost trend assumption as follows:

<u>Year</u>	<u>Trend</u>
2010-2011	7.5%
2011-2012	6.8
2012-2013	5.9
2013-2014	5.9
2014-2015	5.9
2015-2016	5.8
2016-2017	5.8

The ultimate healthcare trend rate of 4.2 percent is reached for the first time in 2079.

- The plan is unfunded and no investment return was assumed.
- Benefits under the Plan are not salary related. No salary increase assumption was used.
- The provisions of the Plan were assumed to remain in place in future years. No improvements to post-retirement benefits in future years were assumed.

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# Other Supplementary Information

**Southwest Florida Water Management District  
 Florida Forever Capital Projects Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
 For the Year Ended September 30, 2011**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Intergovernmental Revenues	\$ 21,893,033	\$ 2,863,823	\$ (19,029,210)
<b>EXPENDITURES</b>			
Current:			
Acquisition, Restoration and Public Works	18,943,271	2,732,910	16,210,361
Operation and Maintenance of Lands and Works	2,949,762	130,913	2,818,849
Total Expenditures	<u>21,893,033</u>	<u>2,863,823</u>	<u>19,029,210</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report.

**Southwest Florida Water Management District  
Facilities Capital Projects Fund  
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended September 30, 2011**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Ad Valorem Taxes	\$ 1,500,000	\$ 1,500,000	\$ -
<b>EXPENDITURES</b>			
Current:			
Acquisition, Restoration and Public Works	3,723,353	458,483	3,264,870
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(2,223,353)	1,041,517	3,264,870
Fund Balance - Beginning	2,223,353	3,422,596	1,199,243
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 4,464,113</u>	<u>\$ 4,464,113</u>

See accompanying independent auditors' report.



## Statistical Section

The statistical section of the Comprehensive Annual Financial Report is the chief source of information regarding the District's economic condition. All of the information presented in this section is organized around five specific objectives:

- *Financial Trend* schedules contain trend information to help the reader understand and assess how the District's financial performance and well-being have changed over time.
- *Revenue Capacity* schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.
- *Debt Capacity* schedule contains information to help the reader understand and assess the District's debt burden and its ability to issue additional debt.
- *Operating Information* schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.
- *Demographic and Economic* schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**Southwest Florida Water Management District**  
**Net Assets by Component**  
**For the Last Ten Years**  
(accrual basis of accounting)  
(unaudited)

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Governmental activities										
Invested in Capital Assets (net of related debt)	\$ 857,375,759	\$ 851,883,344	\$ 811,448,233	\$ 779,451,560 (1)	\$ 689,145,591	\$ 693,083,691	\$ 652,916,266	\$ 593,149,521	\$ 544,800,181	\$ 515,929,344
Restricted for Partnership Agreement	-	-	21,250,000	63,750,000	85,000,000	85,022,824	86,964,669	85,841,584	85,251,298	85,682,484
Restricted for Watershed Basins	285,544,515	287,476,936 (3)	-	-	-	-	-	-	-	-
Unrestricted	272,588,267	277,256,081	557,839,262	518,141,689	452,034,832	343,505,980	255,474,209	222,720,041	212,904,388	179,200,817
<b>Total governmental activities net assets</b>	<b>\$ 1,415,508,541</b>	<b>\$ 1,416,616,361</b>	<b>\$ 1,390,537,495</b>	<b>\$ 1,361,343,249 (2)</b>	<b>\$ 1,226,180,423</b>	<b>\$ 1,121,612,495</b>	<b>\$ 995,355,144</b>	<b>\$ 901,711,146</b>	<b>\$ 842,955,867</b>	<b>\$ 780,812,645</b>

- (1) Fiscal year 2008 was the first year the District had capital-related debt, which is due to capital leases for equipment  
(2) Amounts for fiscal year 2008 have been restated to reflect the District's adoption of GASB 51 effective October 1, 2008.  
(3) Amounts for fiscal year 2010 have been restated to reflect the District's adoption of GASB 54 effective October 1, 2010.

**Southwest Florida Water Management District**  
**Changes in Net Assets**  
**For the Last Ten Years**  
(accrual basis of accounting)  
(unaudited)

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Expenses</b>										
Governmental activities:										
Water Resources Planning and Monitoring	\$ 38,393,264	\$ 40,726,648	\$ 40,493,992	\$ 38,470,066 (1)	\$ 32,807,602	\$ 30,510,960	\$ 28,225,093	\$ 21,751,944	\$ 15,579,114	\$ 14,338,621
Acquisition, Restoration and Public Works	85,730,762	114,411,606	150,186,371	138,016,223	97,762,937	49,035,932	70,492,840	77,426,245	44,556,653	51,865,426
Operation and Maintenance of Lands and Works	17,287,730	17,143,156	19,777,540	21,623,536	15,914,021	15,929,460	13,754,235	14,653,283	12,900,859	12,316,549
Regulation	17,068,249	18,247,275	19,363,964	19,281,444	18,493,860	16,493,948	15,927,204	14,314,706	13,606,323	12,386,701
Outreach	5,693,533	6,331,730	6,249,764	5,290,433	5,306,415	4,543,475	3,707,207	3,727,632	3,527,078	2,948,200
Management and Administration	35,990,413	33,853,860	34,326,722	33,544,462 (1)	37,981,400	32,988,524	32,435,994	27,937,157	27,010,734	25,803,748
<b>Total governmental activities expenses</b>	<b>200,163,951</b>	<b>230,714,275</b>	<b>270,398,353</b>	<b>256,226,164 (1)</b>	<b>208,266,235</b>	<b>149,502,299</b>	<b>164,542,573</b>	<b>159,810,967</b>	<b>117,180,761</b>	<b>119,659,245</b>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Water Resources Planning & Monitoring	188,119	377,909	628,276	403,339	134,780	186,666	192,074	249,779	311,498	267,661
Acquisition, Restoration and Public Works	-	-	-	-	-	-	-	-	-	9,774
Operation and Maintenance of Lands and Works	842,415	964,108	775,388	1,248,038	1,312,407	1,549,729	1,661,289	1,669,597	1,349,230	882,651
Regulation	1,862,728	1,865,778	1,672,672	2,289,411	3,282,034	4,026,078	3,443,788	3,303,915	2,552,911	2,382,605
Outreach	-	-	-	-	-	-	-	-	2,200	16,500
Management and Administration	783,826	913,966	966,484	1,085,229	1,051,604	994,953	988,226	1,035,609	1,368,194	1,182,522
Operating grants and contributions	23,181,021	22,570,976	46,665,491	55,273,724	34,828,465	29,109,494	22,945,387	25,535,832	9,629,528	8,561,473
Capital grants and contributions	3,009,100	30,604,190	11,827,554	62,873,713	2,691,252	25,585,607	39,018,186	37,012,993	28,467,877	38,046,026
<b>Total governmental activities program revenues</b>	<b>29,867,209</b>	<b>57,296,927</b>	<b>62,535,865</b>	<b>123,171,454</b>	<b>43,300,542</b>	<b>61,452,527</b>	<b>68,248,950</b>	<b>68,807,725</b>	<b>43,681,438</b>	<b>51,349,212</b>
<b>Net (expense) revenue</b>	<b>(170,296,742)</b>	<b>(173,417,348)</b>	<b>(207,862,488)</b>	<b>(133,054,710) (1)</b>	<b>(164,965,693)</b>	<b>(88,049,772)</b>	<b>(96,293,623)</b>	<b>(91,003,242)</b>	<b>(73,499,323)</b>	<b>(68,310,033)</b>
<b>General Revenues and Other Changes in Net Assets</b>										
Governmental activities:										
Ad Valorem Property Taxes	161,850,765	189,205,683	216,708,977	238,923,620	237,448,913	189,355,313	161,163,202	143,869,238	129,555,903	119,241,746
Unrestricted investment earnings	6,515,579	8,199,031	13,220,367	17,906,722	28,204,657	19,640,423	9,467,843	4,565,891	5,490,920	7,696,602
Gain on sale of capital assets	-	-	-	-	-	4,223,961	-	348,906	89,808	-
Other	822,578	2,091,500	7,127,390	3,252,835	3,880,051	1,087,426	19,306,576	974,486	505,914	114,596
<b>Total governmental activities general revenues</b>	<b>169,188,922</b>	<b>199,496,214</b>	<b>237,056,734</b>	<b>260,083,177</b>	<b>269,533,621</b>	<b>214,307,123</b>	<b>189,937,621</b>	<b>149,758,521</b>	<b>135,642,545</b>	<b>127,052,944</b>
<b>Change in Net Assets</b>	<b>\$ (1,107,820)</b>	<b>\$ 26,078,866</b>	<b>\$ 29,194,246</b>	<b>\$ 127,028,467 (1)</b>	<b>\$ 104,567,928</b>	<b>\$ 126,257,351</b>	<b>\$ 93,643,998</b>	<b>\$ 58,755,279</b>	<b>\$ 62,143,222</b>	<b>\$ 58,742,911</b>

(1) Amounts for fiscal year 2008 have been restated to reflect the District's adoption of GASB 51 effective October 1, 2008.

**Southwest Florida Water Management District**  
**Fund Balances, Governmental Funds**  
**For the Last Ten Years**  
(modified accrual basis of accounting)  
(unaudited)

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General Fund:										
Nonspendable	\$ 40,754	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	300,042,655	-	-	-	-	-	-	-	-	-
Committed	50,000,000	-	-	-	-	-	-	-	-	-
Assigned	184,375,566	-	-	-	-	-	-	-	-	-
Unassigned	40,647,870	-	-	-	-	-	-	-	-	-
Reserved	-	78,663,591	78,300,061	64,741,708	74,058,319	48,149,032	46,492,578	39,422,012	24,523,545	16,483,581
Unreserved	-	202,265,130	198,765,787	200,060,299	159,589,642	123,095,002	79,249,802	63,927,282	56,889,560	46,657,577
Total General Fund	<u>575,106,845</u>	<u>280,928,721</u>	<u>277,065,848</u>	<u>264,802,007</u>	<u>233,647,961</u>	<u>171,244,034</u>	<u>125,742,380</u>	<u>103,349,294</u>	<u>81,413,105</u>	<u>63,141,158</u>
All Other Governmental Funds										
Assigned										
Capital projects funds	4,464,113	-	-	-	-	-	-	-	-	-
Reserved	-	219,967,926	278,430,186	288,253,902	283,263,772	252,049,380	232,410,135	239,197,020	230,619,954	188,751,060
Unreserved:										
Special revenue funds	-	89,360,956	51,036,573	63,517,629	47,956,689	32,878,423	12,768,377	17,043,939	(992,560)	19,148,603
Capital projects funds	-	161,264	(1,201,216)	(6,676,326)	(1,786,657)	(2,237,151)	(3,800,112)	(26,643,785)	(8,445,145)	(1,974,847)
Total All Other Governmental Funds	<u>4,464,113</u>	<u>309,490,146</u>	<u>328,265,543</u>	<u>345,095,205</u>	<u>329,433,804</u>	<u>282,690,652</u>	<u>241,378,400</u>	<u>229,597,174</u>	<u>221,182,249</u>	<u>205,924,816</u>
Total Fund Balances	<u>\$579,570,958</u>	<u>\$590,418,867</u>	<u>\$605,331,391</u>	<u>\$609,897,212</u>	<u>\$563,081,765</u>	<u>\$453,934,686</u>	<u>\$367,120,780</u>	<u>\$332,946,468</u>	<u>\$302,595,354</u>	<u>\$269,065,974</u>

Fund balance classifications changed, discontinuing the use of reserved and unreserved, in fiscal year 2011 with the implementation of GASB 54.

**Southwest Florida Water Management District**  
**Changes in Fund Balances, Governmental Funds (1)**  
**For the Last Ten Years**  
(modified accrual basis of accounting)  
(unaudited)

	Fiscal Year									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>REVENUES</b>										
Ad Valorem Property Taxes	\$ 161,721,818	\$ 189,111,242	\$ 216,624,815	\$ 238,836,876	\$ 237,543,172	\$ 189,378,158	\$ 161,263,640	\$ 143,801,912	\$ 129,549,220	\$ 119,312,415
Intergovernmental Revenues	26,781,435	53,735,973	59,251,973	118,983,767	38,069,942	55,536,683	62,903,153	63,138,573	38,974,623	47,294,407
Interest on Invested Funds	6,515,579	8,199,031	13,220,367	17,906,722	28,204,657	19,640,423	9,467,843	4,565,891	5,490,920	7,696,602
License and Permit Fees	1,862,728	1,865,778	1,672,672	2,289,611	3,282,034	4,026,078	3,443,788	3,303,915	2,552,911	2,357,605
Other	2,652,672	2,193,925	2,207,137	2,666,641	3,276,451	3,542,367	3,371,782	3,349,578	2,755,089	1,954,882
<b>Total Revenues</b>	<b>199,534,232</b>	<b>255,105,949</b>	<b>292,976,964</b>	<b>380,683,617</b>	<b>310,376,256</b>	<b>272,123,709</b>	<b>240,450,206</b>	<b>218,159,869</b>	<b>179,322,763</b>	<b>178,615,911</b>
<b>EXPENDITURES</b>										
Current:										
Water Resources Planning and Monitoring	38,412,310	40,688,508	40,466,587	37,882,697	32,620,502	30,274,277	28,010,481	21,788,639	15,884,100	14,171,194
Acquisition, Restoration and Public Works	92,769,162	145,008,737	170,942,985	213,073,582	91,471,056	88,631,174	112,707,054	104,049,607	71,952,001	88,255,415
Operation and Maintenance of Lands and Works	15,558,263	19,841,405	19,678,843	19,600,288	16,310,879	16,710,796	14,693,684	15,572,454	13,490,901	12,492,363
Regulation	17,425,804	18,801,634	19,268,672	19,080,448	18,311,066	16,280,759	15,892,959	14,250,561	13,506,724	12,326,062
Outreach	5,732,562	6,327,680	6,236,445	5,267,523	5,286,577	4,514,870	3,676,618	3,718,886	3,514,563	2,956,308
Management and Administration	39,571,878	38,633,509	43,137,402	40,909,119	37,229,097	33,187,587	31,295,098	28,428,608	27,445,094	25,792,026
Debt Service / Capital Leases										
Principal	871,253	671,821	697,536	686,831	-	-	-	-	-	-
Interest	40,909	45,179	19,464	-	-	-	-	-	-	-
Other	-	-	-	250	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>210,382,141</b>	<b>270,018,473</b>	<b>300,447,934</b>	<b>336,500,738</b>	<b>201,229,177</b>	<b>189,599,463</b>	<b>206,275,894</b>	<b>187,808,755</b>	<b>145,793,383</b>	<b>155,993,368</b>
Excess of Revenues										
Over (under) Expenditures	(10,847,909)	(14,912,524)	(7,470,970)	44,182,879	109,147,079	82,524,246	34,174,312	30,351,114	33,529,380	22,622,543
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers In	300,042,655	913,423	40,908,961	3,773,441	17,275,932	14,211,995	17,269,052	17,496,250	15,709,133	15,630,592
Transfers Out	(300,042,655)	(913,423)	(40,908,961)	(3,773,441)	(17,275,932)	(14,211,995)	(17,269,052)	(17,496,250)	(15,709,133)	(15,630,592)
Sale of Capital Assets	-	-	1,957,405	636,871	-	4,289,660	-	-	-	-
Capital Lease Proceeds	-	-	947,744	1,995,697	-	-	-	-	-	-
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>2,905,149</b>	<b>2,632,568</b>	<b>-</b>	<b>4,289,660</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change In Fund Balances	(10,847,909)	(14,912,524)	(4,565,821)	46,815,447	109,147,079	86,813,906	34,174,312	30,351,114	33,529,380	22,622,543
Fund Balances - Beginning	590,418,867	605,331,391	609,897,212	563,081,765	453,934,686	367,120,780	332,946,468	302,595,354	269,065,974	246,443,431
<b>Fund Balances - Ending</b>	<b>\$ 579,570,958</b>	<b>\$ 590,418,867</b>	<b>\$ 605,331,391</b>	<b>\$ 609,897,212</b>	<b>\$ 563,081,765</b>	<b>\$ 453,934,686</b>	<b>\$ 367,120,780</b>	<b>\$ 332,946,468</b>	<b>\$ 302,595,354</b>	<b>\$ 269,065,974</b>
Debt service as a percentage of noncapital expenditures	0.47%	0.33%	0.27%	0.28%						

(1) This schedule shows the combined General Government Expenditures, including the General, Special Revenue and Capital Projects Funds.

**Southwest Florida Water Management District**  
**General Government Expenditures by Program (1)**  
**For the Last Ten Fiscal Years**  
(modified accrual basis of accounting)  
(unaudited)

<b>Fiscal Year</b>	<b>Water Resources Planning and Monitoring</b>	<b>Acquisition, Restoration and Public Works</b>	<b>Operation and Maintenance of Lands and Works</b>	<b>Regulation</b>	<b>Outreach- Public Education</b>	<b>Management and Administration</b>	<b>Total Expenditures</b>
2011	\$ 38,412,310 18.26%	\$ 92,769,162 44.10%	\$ 15,558,263 7.40%	\$ 17,425,804 8.28%	\$ 5,732,562 2.72%	\$ 40,484,040 19.24%	\$ 210,382,141 100.00%
2010	40,688,508 15.07%	145,008,737 53.71%	19,841,405 7.35%	18,801,634 6.96%	6,327,680 2.34%	39,350,509 14.57%	270,018,473 100.00%
2009	40,466,587 13.47%	170,942,985 56.89%	19,678,843 6.55%	19,268,672 6.41%	6,236,445 2.08%	43,854,402 14.60%	300,447,934 100.00%
2008	37,882,697 11.26%	213,073,582 63.32%	19,600,288 5.82%	19,080,448 5.67%	5,267,523 1.57%	41,596,200 12.36%	336,500,738 100.00%
2007	32,620,502 16.21%	91,471,056 45.45%	16,310,879 8.11%	18,311,066 9.10%	5,286,577 2.63%	37,229,097 18.50%	201,229,177 100.00%
2006	30,274,277 15.97%	88,631,174 46.75%	16,710,796 8.81%	16,280,759 8.59%	4,514,870 2.38%	33,187,587 17.50%	189,599,463 100.00%
2005	28,010,481 13.58%	112,707,054 54.65%	14,693,684 7.12%	15,892,959 7.70%	3,676,618 1.78%	31,295,098 15.17%	206,275,894 100.00%
2004	21,788,639 11.60%	104,049,607 55.40%	15,572,454 8.29%	14,250,561 7.59%	3,718,886 1.98%	28,428,608 15.14%	187,808,755 100.00%
2003	15,884,100 10.89%	71,952,001 49.37%	13,490,901 9.25%	13,506,724 9.26%	3,514,563 2.41%	27,445,094 18.82%	145,793,383 100.00%
2002	14,171,194 9.08%	88,255,415 56.58%	12,492,363 8.01%	12,326,062 7.90%	2,956,308 1.90%	25,792,026 16.53%	155,993,368 100.00%

(1) This schedule shows the combined General Government Expenditures, including the General, Special Revenue and Capital Projects Funds.

**Southwest Florida Water Management District**  
**General Government Revenues by Source (1)**  
**For the Last Ten Fiscal Years**  
(modified accrual basis of accounting)  
(unaudited)

<u>Fiscal Year</u>	<u>Ad Valorem Property Taxes</u>	<u>Inter-Governmental Revenues</u>	<u>Interest on Invested Funds</u>	<u>License and Permit Fees</u>	<u>Other Revenues</u>	<u>Total Revenues</u>
2011	\$ 161,721,818 81.05%	\$ 26,781,435 13.42%	\$ 6,515,579 3.27%	\$ 1,862,728 0.93%	\$ 2,652,672 1.33%	\$ 199,534,232 100.00%
2010	189,111,242 74.14%	53,735,973 21.06%	8,199,031 3.21%	1,865,778 0.73%	2,193,925 0.86%	255,105,949 100.00%
2009	216,624,815 73.94%	59,251,973 20.22%	13,220,367 4.51%	1,672,672 0.57%	2,207,137 0.76%	292,976,964 100.00%
2008	238,836,876 62.74%	118,983,767 31.26%	17,906,722 4.70%	2,289,611 0.60%	2,666,641 0.70%	380,683,617 100.00%
2007	237,543,172 76.53%	38,069,942 12.26%	28,204,657 9.09%	3,282,034 1.06%	3,276,451 1.06%	310,376,256 100.00%
2006	189,378,158 69.59%	55,536,683 20.41%	19,640,423 7.22%	4,026,078 1.48%	3,542,367 1.30%	272,123,709 100.00%
2005	161,263,640 67.07%	62,903,153 26.16%	9,467,843 3.94%	3,443,788 1.43%	3,371,782 1.40%	240,450,206 100.00%
2004	143,801,912 65.92%	63,138,573 28.94%	4,565,891 2.09%	3,303,915 1.51%	3,349,578 1.54%	218,159,869 100.00%
2003	129,549,220 72.24%	38,974,623 21.74%	5,490,920 3.06%	2,552,911 1.42%	2,755,089 1.54%	179,322,763 100.00%
2002	119,312,415 66.80%	47,294,407 26.48%	7,696,602 4.31%	2,357,605 1.32%	1,954,882 1.09%	178,615,911 100.00%

(1) This schedule includes General, Special Revenue and Capital Projects Funds.

**Southwest Florida Water Management District**  
**Ad Valorem Property Tax Revenues by Source (1)**  
**For the Last Ten Fiscal Years**  
(modified accrual basis of accounting)  
(unaudited)

Fiscal Year	General Fund	Alafia River Basin	Hillsborough River Basin (2)	Northwest Hillsborough Basin (2)	Coastal Rivers Basin	Pinellas-Anclote River Basin	Withlacoochee River Basin	Peace River Basin	Manasota Basin	Facilities	Total	Percent Base Year	Annual Change in Percent
2011	\$ 103,214,335	\$ 3,923,939	\$ 13,194,097	N/A	\$ 3,692,841	\$ 15,887,378	\$ 4,264,102	\$ 6,435,698	\$ 9,609,428	\$ 1,500,000	\$ 161,721,818	135.5	(23.0)
2010	119,228,507	4,401,132	15,649,847	N/A	4,088,182	21,635,385	4,625,138	7,444,942	10,788,109	1,250,000	189,111,242	158.5	(23.1)
2009	134,486,978	4,821,088	13,004,137	\$ 5,376,574	4,553,491	27,497,327	4,925,509	8,525,216	12,184,495	1,250,000	216,624,815	181.6	(18.6) (3)
2008	147,940,801	5,526,420	12,611,129	6,665,194	5,086,354	30,934,560	5,411,367	9,350,470	13,910,581	1,400,000	238,836,876	200.2	1.1
2007	145,973,534	5,364,139	12,463,049	6,734,757	5,024,249	31,319,837	5,148,275	9,265,908	13,849,424	2,400,000	237,543,172	199.1	40.4
2006	115,088,950	4,251,799	10,084,129	5,690,823	4,449,920	25,938,951	3,701,008	6,760,928	11,011,650	2,400,000	189,378,158	158.7	23.5
2005	98,617,333	3,577,067	8,668,890	5,004,715	3,740,550	22,519,738	2,889,460	5,774,020	9,221,867	1,250,000	161,263,640	135.2	14.7
2004	88,260,896	2,517,053	7,125,716	4,593,204	3,317,387	20,270,787	2,598,289	6,038,604	8,104,976	975,000	143,801,912	120.5	11.9
2003	77,833,580	2,257,796	6,503,367	4,218,523	3,042,400	18,492,468	2,317,120	5,454,067	7,129,899	2,300,000	129,549,220	108.6	8.6
2002	72,255,628	2,037,219	6,068,473	3,956,118	2,829,355	17,218,219	2,330,146	5,080,107	6,287,150	1,250,000	119,312,415	100.0	-

(1) This schedule includes General, Special Revenue and Capital Projects Funds.

(2) The Hillsborough River Basin and the Northwest Hillsborough Basin were merged effective January 1, 2009.

(3) The reduction in Ad Valorem Property Tax Revenues was due to declining property values and the impact of the amendment to the Florida Constitution (Amendment 1) that was passed by voters January 29, 2008.

**Southwest Florida Water Management District**  
**Ad Valorem Property Tax Revenues by County(1)**  
**For the Last Ten Fiscal Years**  
(modified accrual basis of accounting)  
(unaudited)

<b>Fiscal Year</b>	<b>Charlotte County</b>	<b>Citrus County</b>	<b>DeSoto County</b>	<b>Hardee County</b>	<b>Hernando County</b>	<b>Highlands County</b>	<b>Hillsborough County</b>	<b>Lake County</b>	<b>Levy County</b>
2011	\$ 7,192,259 4.45%	\$ 5,422,966 3.35%	\$ 813,212 0.50%	\$ 854,038 0.53%	\$ 4,489,683 2.78%	\$ 2,333,287 1.44%	\$ 37,622,850 23.26%	\$ 29,498 0.02%	\$ 586,870 0.36%
2010	8,601,056 4.55%	5,764,046 3.05%	936,532 0.50%	913,609 0.48%	5,332,460 2.82%	2,768,332 1.46%	43,663,858 23.09%	30,416 0.02%	626,488 0.33%
2009	10,131,134 4.68%	6,192,558 2.86%	965,835 0.45%	899,843 0.42%	5,848,996 2.70%	2,947,649 1.36%	50,526,245 23.32%	31,110 0.01%	717,125 0.33%
2008	12,740,821 5.33%	7,166,628 3.00%	1,018,393 0.43%	988,590 0.41%	6,370,297 2.67%	3,309,726 1.39%	53,172,802 22.26%	31,752 0.01%	751,259 0.31%
2007	14,178,471 5.97%	7,350,108 3.09%	1,039,104 0.44%	889,608 0.37%	6,102,139 2.57%	3,050,390 1.28%	52,334,811 22.03%	30,030 0.01%	799,002 0.34%
2006	9,460,493 5.00%	5,639,059 2.98%	691,213 0.36%	788,792 0.42%	4,925,311 2.60%	2,153,281 1.14%	43,054,784 22.73%	22,883 0.01%	521,149 0.28%
2005	7,625,085 4.73%	4,604,586 2.86%	648,433 0.40%	830,431 0.51%	4,046,797 2.51%	1,844,887 1.14%	37,314,510 23.14%	19,355 0.01%	419,712 0.26%
2004	6,519,997 4.54%	4,192,495 2.92%	608,992 0.42%	821,026 0.57%	3,619,738 2.52%	1,683,539 1.17%	33,715,627 23.45%	16,680 0.01%	363,008 0.25%
2003	5,581,364 4.31%	3,851,404 2.97%	514,879 0.40%	677,976 0.52%	3,275,779 2.53%	1,531,531 1.18%	30,796,818 23.77%	14,627 0.01%	338,310 0.26%
2002	4,993,772 4.19%	3,654,434 3.06%	514,580 0.43%	559,349 0.47%	3,063,314 2.57%	1,480,066 1.24%	28,691,946 24.05%	13,303 0.01%	325,122 0.27%

(1) This schedule includes General, Special Revenue and Capital Projects Funds.

(2) The reduction in Ad Valorem Property Tax Revenues was due to declining property values and the impact of the amendment to the Florida Constitution (Amendment 1) that was passed by voters on January 29, 2008.

Source: District records - Finance Department.

(continued)

**Southwest Florida Water Management District**  
**Ad Valorem Property Tax Revenues by County(1)**  
**For the Last Ten Fiscal Years**  
(modified accrual basis of accounting)  
(unaudited)  
(continued)

<b>Fiscal Year</b>	<b>Manatee County</b>	<b>Marion County</b>	<b>Pasco County</b>	<b>Pinellas County</b>	<b>Polk County</b>	<b>Sarasota County</b>	<b>Sumter County</b>	<b>Total</b>
2011	\$ 12,593,267 7.79%	\$ 3,372,630 2.09%	\$ 12,011,482 7.43%	\$ 36,072,441 22.30%	\$ 13,236,667 8.18%	\$ 21,436,389 13.26%	\$ 3,654,279 2.26%	\$ 161,721,818 100.00%
2010	14,809,981 7.83%	3,953,855 2.09%	14,101,687 7.46%	44,266,162 23.41%	15,583,799 8.24%	24,086,237 12.73%	3,672,724 1.94%	189,111,242 100.00%
2009	16,369,036 7.56%	4,409,534 2.04%	16,381,859 7.56%	52,853,363 24.40%	17,291,246 7.98%	27,585,247 12.73%	3,474,035 1.60%	216,624,815 (2) 100.00%
2008	17,765,391 7.44%	4,877,757 2.04%	18,381,150 7.70%	58,568,414 24.52%	17,854,305 7.48%	32,375,418 13.56%	3,464,173 1.45%	238,836,876 100.00%
2007	17,223,698 7.25%	4,050,704 1.71%	17,581,645 7.40%	60,048,322 25.29%	16,682,869 7.02%	33,148,867 13.95%	3,033,404 1.28%	237,543,172 100.00%
2006	13,924,895 7.35%	2,742,778 1.45%	13,650,954 7.21%	49,977,644 26.39%	13,431,641 7.09%	26,130,517 13.80%	2,262,764 1.19%	189,378,158 100.00%
2005	11,849,868 7.35%	2,304,740 1.43%	11,154,070 6.92%	43,617,283 27.05%	11,734,719 7.28%	21,693,705 13.45%	1,555,459 0.96%	161,263,640 100.00%
2004	10,377,230 7.22%	2,031,561 1.41%	9,497,470 6.60%	39,362,797 27.37%	10,545,318 7.33%	19,146,756 13.31%	1,299,678 0.91%	143,801,912 100.00%
2003	9,102,886 7.03%	1,822,527 1.41%	8,341,467 6.44%	36,147,693 27.90%	9,548,241 7.37%	16,832,207 12.99%	1,171,511 0.91%	129,549,220 100.00%
2002	8,019,003 6.72%	1,743,415 1.46%	7,507,878 6.29%	33,854,882 28.37%	9,014,593 7.56%	14,839,812 12.44%	1,036,946 0.87%	119,312,415 100.00%

(1) This schedule includes General, Special Revenue and Capital Projects Funds.

(2) The reduction in Ad Valorem Property Tax Revenues was due to declining property values and the impact of the amendment to the Florida Constitution (Amendment 1) that was passed by voters on January 29, 2008.

Source: District records - Finance Department.

**Southwest Florida Water Management District**  
**Ad Valorem Property Tax Levies, Tax Collections and Assessed Valuations**  
**For the Last Ten Fiscal Years**  
(unaudited)

<b>Fiscal Year</b>	<b>Assessed Valuation (1)</b>	<b>Total Tax Levy</b>	<b>Current Tax Collections</b>	<b>Percent of Levy Collected</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections</b>	<b>Percent of Total Tax Collection to Tax Levy</b>
2011	\$ 287,863,529,751	\$ 167,583,548	\$ 160,425,813	95.73 %	\$ 1,296,005	\$ 161,721,818	96.50 %
2010	322,613,718,625	195,782,309	187,919,296	95.98	1,191,946	189,111,242	96.59
2009	364,790,289,103	225,150,454	215,394,447	95.67	1,230,368	216,624,815 (2)	96.21
2008	400,166,690,276	247,424,227	237,744,556	96.09	1,092,320	238,836,876	96.53
2007	364,100,486,292	246,000,306	236,984,777	96.34	558,395	237,543,172	96.56
2006	288,027,816,770	195,912,657	188,729,789	96.33	648,369	189,378,158	96.66
2005	244,929,632,264	166,878,893	159,400,042	95.52	1,863,598	161,263,640	96.64
2004	218,825,726,760	148,831,513	142,874,841	96.00	927,071	143,801,912	96.62
2003	196,733,416,139	134,674,084	128,923,451	95.73	625,769	129,549,220	96.19
2002	179,984,482,391	123,116,730	118,351,223	96.13	961,192	119,312,415	96.91

(1) Valuations are as of January 1 on the calendar year preceding the applicable District fiscal year.

(2) The reduction in Ad Valorem Property Tax Revenues was due to declining property values and the impact of the amendment to the Florida Constitution (Amendment 1) that was passed by voters on January 29, 2008.

Sources: District records - Finance Department, Budget Section; State of Florida, Department of Revenue; County Governments.

**Southwest Florida Water Management District**  
**Taxable Assessed and Estimated Just Value of Taxable Property**  
**For the Last Ten Fiscal Years**  
(unaudited)

Fiscal Year	Charlotte County		Citrus County		DeSoto County		Hardee County	
	Taxable Assessed Value (2)	Estimated Just Value (3)	Taxable Assessed Value (1)	Estimated Just Value (3)	Taxable Assessed Value (1)	Estimated Just Value (3)	Taxable Assessed Value (1)	Estimated Just Value (3)
2011	\$ 13,386,137,357 4.65%	\$ 17,124,361,029	\$ 9,614,305,893 3.34%	\$ 11,948,970,629	\$ 1,440,295,660 0.50%	\$ 2,917,973,323	\$ 1,548,820,619 0.54%	\$ 2,499,618,714
2010	15,605,343,917 4.84%	20,165,561,587	10,074,921,377 3.12%	13,124,823,904	1,627,233,852 0.50%	3,534,008,206	1,648,825,033 0.51%	2,799,183,882
2009 (4)	18,744,588,641 5.14%	24,134,964,729	10,949,871,541 3.00%	14,592,430,322	1,782,603,163 0.49%	3,814,458,104	1,621,242,093 0.44%	3,597,898,593
2008	23,468,464,057 5.86%	30,281,403,475	12,388,874,371 3.10%	15,861,126,819	1,859,310,230 0.46%	3,837,360,015	1,775,558,774 0.44%	3,533,587,394
2007	24,129,410,539 6.63%	32,413,213,000	11,637,462,135 3.20%	15,252,149,646	1,758,121,481 0.48%	3,670,862,797	1,556,504,727 0.43%	2,689,526,887
2006	15,988,917,489 5.55%	20,937,367,172	8,700,489,533 3.02%	10,331,779,330	1,141,425,064 0.40%	2,094,506,489	1,404,977,510 0.49%	1,999,273,020
2005	12,924,151,263 5.28%	16,425,428,634	7,061,830,905 2.89%	7,951,200,451	1,049,892,450 0.43%	1,795,202,550	1,395,590,539 0.57%	1,841,574,901
2004	10,868,251,435 4.97%	13,787,164,905	6,377,731,045 2.91%	7,074,397,845	1,006,248,987 0.46%	1,680,115,048	1,381,408,737 0.63%	1,584,505,572
2003	9,397,451,189 4.78%	11,765,949,970	5,951,463,421 3.03%	6,257,479,829	861,104,943 0.44%	1,641,097,760	1,129,707,419 0.57%	1,555,385,773
2002	8,386,850,539 4.66%	10,329,838,220	5,585,926,065 3.10%	5,708,577,441	860,588,600 0.48%	1,608,953,885	934,388,620 0.52%	1,585,134,436

- (1) Taxable Assessed Value is calculated at 100 percent of market value less exempt and immune values and are as of January 1 on the calendar year preceding the applicable District fiscal year.
- (2) Taxable Assessed Value is calculated at 100 percent of market value less exempt and immune values, represents only those portions of counties within District boundaries and are as of January 1 on the calendar year preceding the applicable District fiscal year.
- (3) The Estimated Just Value represents the estimated total value of taxable property within the 16-county area encompassed by the District, and is updated based on the Department of Revenue Comparative Statement of Just Values, Real Property Only as of January 1 on the calendar year preceding the applicable District fiscal year.
- (4) The reduction in Taxable Assessed and Estimated Just Values in fiscal year 2009 was due to declining property values and the impact of the amendment to the Florida Constitution (Amendment 1) that was passed by voters on January 29, 2008.

Sources: District records - Finance Department, Budget Section; Florida Statistical Abstract, State of Florida, Department of Revenue.

(continued)

**Southwest Florida Water Management District**  
**Taxable Assessed and Estimated Just Value of Taxable Property**  
**For the Last Ten Fiscal Years**  
(unaudited)  
(continued)

Fiscal Year	Hernando County		Highlands County		Hillsborough County		Lake County	
	Taxable Assessed Value (1)	Estimated Just Value (3)	Taxable Assessed Value (2)	Estimated Just Value (3)	Taxable Assessed Value (1)	Estimated Just Value (3)	Taxable Assessed Value (2)	Estimated Just Value (3)
2011	\$ 8,393,836,609 2.92%	\$ 11,572,262,977	\$ 4,235,779,178 1.47%	\$ 6,876,036,024	\$ 65,116,419,986 22.61%	\$ 84,238,814,625	\$ 80,021,070 0.03%	\$ 22,171,268,184
2010	9,488,123,875 2.94%	13,471,360,637	4,936,206,579 1.53%	8,239,938,540	73,415,622,752 22.76%	96,774,421,040	81,481,877 0.03%	24,975,567,952
2009 (4)	10,387,499,612 2.85%	15,814,704,391	5,389,133,838 1.48%	9,254,973,711	83,938,830,501 23.01%	116,254,203,161	84,370,714 0.02%	27,928,949,304
2008	11,357,529,621 2.84%	16,512,802,416	5,931,994,995 1.48%	9,629,781,192	88,033,093,322 22.02%	120,823,337,789	86,675,044 0.02%	27,890,683,868
2007	9,901,079,038 2.72%	14,737,835,803	5,037,731,165 1.38%	8,271,475,339	78,793,903,491 21.64%	110,793,362,933	74,401,396 0.02%	24,009,757,409
2006	7,646,691,051 2.65%	11,004,596,658	3,510,605,604 1.22%	5,710,710,588	64,750,787,840 22.47%	87,321,571,180	55,477,839 0.02%	17,331,581,237
2005	6,302,986,453 2.57%	8,743,878,355	2,933,630,183 1.20%	4,688,682,365	55,903,214,952 22.82%	72,964,455,006	46,727,001 0.02%	14,414,739,917
2004	5,600,584,555 2.56%	7,642,982,147	2,690,892,370 1.23%	4,194,944,329	50,779,806,100 23.21%	64,837,890,327	40,709,970 0.02%	12,541,891,742
2003	5,122,539,116 2.60%	6,820,855,210	2,565,605,756 1.30%	3,949,400,610	46,355,925,135 23.56%	59,207,297,196	35,141,203 0.02%	11,114,607,760
2002	4,734,177,073 2.63%	6,246,678,319	2,477,528,213 1.38%	3,782,245,187	42,891,979,863 23.83%	53,291,862,679	32,358,284 0.02%	10,087,584,597

- (1) Taxable Assessed Value is calculated at 100 percent of market value less exempt and immune values and are as of January 1 on the calendar year preceding the applicable District fiscal year.
- (2) Taxable Assessed Value is calculated at 100 percent of market value less exempt and immune values, represents only those portions of counties within District boundaries and are as of January 1 on the calendar year preceding the applicable District fiscal year.
- (3) The Estimated Just Value represents the estimated total value of taxable property within the 16-county area encompassed by the District, and is updated based on the Department of Revenue Comparative Statement of Just Values, Real Property Only as of January 1 on the calendar year preceding the applicable District fiscal year.
- (4) The reduction in Taxable Assessed and Estimated Just Values in fiscal year 2009 was due to declining property values and the impact of the amendment to the Florida Constitution (Amendment 1) that was passed by voters on January 29, 2008.

Sources: District records - Finance Department, Budget Section; Florida Statistical Abstract, State of Florida, Department of Revenue.

(continued)

**Southwest Florida Water Management District**  
**Taxable Assessed and Estimated Just Value of Taxable Property**  
**For the Last Ten Fiscal Years**  
(unaudited)  
(continued)

Fiscal Year	Levy County		Manatee County		Marion County		Pasco County	
	Taxable Assessed Value (2)	Estimated Just Value (3)	Taxable Assessed Value (1)	Estimated Just Value (3)	Taxable Assessed Value (2)	Estimated Just Value (3)	Taxable Assessed Value (1)	Estimated Just Value (3)
2011	\$ 978,841,451 0.34%	\$ 3,989,729,515	\$ 24,909,396,182 8.65%	\$ 29,752,101,009	\$ 5,746,672,436 2.00%	\$ 27,141,206,875	\$ 20,754,922,138 7.21%	\$ 29,126,608,803
2010	1,039,092,617 0.32%	4,417,873,490	28,739,213,410 8.91%	35,315,585,698	6,615,903,811 2.05%	31,005,053,635	23,045,072,814 7.14%	32,681,663,769
2009 (4)	1,176,574,298 0.32%	4,992,458,397	31,728,741,317 8.70%	40,532,806,394	7,681,828,761 2.11%	36,172,335,899	26,767,890,444 7.34%	39,790,825,530
2008	1,283,131,348 0.32%	4,921,099,058	34,528,464,902 8.63%	44,545,058,066	8,364,377,817 2.09%	36,918,976,765	29,729,044,446 7.43%	42,731,680,816
2007	1,223,533,954 0.34%	4,651,266,241	30,735,678,005 8.44%	39,852,622,216	6,132,576,329 1.68%	28,210,769,525	25,750,555,212 7.07%	37,956,299,419
2006	788,382,168 0.27%	2,892,868,688	24,759,022,291 8.60%	31,744,642,359	4,216,130,979 1.46%	19,412,346,247	19,804,373,845 6.88%	27,816,171,324
2005	634,607,144 0.26%	2,319,580,260	21,188,932,148 8.65%	26,527,994,186	3,412,304,183 1.39%	16,203,462,528	16,171,800,551 6.60%	22,176,529,678
2004	549,645,916 0.25%	1,828,924,432	18,574,279,816 8.49%	22,702,620,085	3,020,525,681 1.38%	14,177,653,309	13,883,582,485 6.34%	18,859,943,686
2003	514,932,657 0.26%	1,709,505,277	16,270,421,255 8.27%	19,384,158,966	2,738,924,877 1.39%	12,819,400,375	12,262,273,454 6.23%	16,827,458,579
2002	472,650,625 0.26%	1,507,735,121	14,359,883,510 7.98%	16,654,859,576	2,501,256,463 1.39%	11,587,044,419	11,002,947,919 6.11%	14,926,055,100

- (1) Taxable Assessed Value is calculated at 100 percent of market value less exempt and immune values and are as of January 1 on the calendar year preceding the applicable District fiscal year.
- (2) Taxable Assessed Value is calculated at 100 percent of market value less exempt and immune values, represents only those portions of counties within District boundaries and are as of January 1 on the calendar year preceding the applicable District fiscal year.
- (3) The Estimated Just Value represents the estimated total value of taxable property within the 16-county area encompassed by the District, and is updated based on the Department of Revenue Comparative Statement of Just Values, Real Property Only as of January 1 on the calendar year preceding the applicable District fiscal year.
- (4) The reduction in Taxable Assessed and Estimated Just Values in fiscal year 2009 was due to declining property values and the impact of the amendment to the Florida Constitution (Amendment 1) that was passed by voters on January 29, 2008.

Sources: District records - Finance Department, Budget Section; Florida Statistical Abstract, State of Florida, Department of Revenue.

(continued)

**Southwest Florida Water Management District**  
**Taxable Assessed and Estimated Just Value of Taxable Property**  
**For the Last Ten Fiscal Years**  
(unaudited)  
(continued)

Fiscal Year	Pinellas County		Polk County		Sarasota County		Sumter County		Total	
	Taxable Assessed Value (1)	Estimated Just Value (3)	Taxable Assessed Value (2)	Estimated Just Value (3)	Taxable Assessed Value (1)	Estimated Just Value (3)	Taxable Assessed Value (1)	Estimated Just Value (3)	Taxable Assessed Value (2)	Estimated Just Value (3)
2011	\$ 58,395,259,809 20.29%	\$ 77,170,341,462	\$ 24,919,832,620 8.66%	\$ 32,100,173,557	\$ 42,118,634,428 14.63%	\$ 53,477,297,720	\$ 6,224,354,315 2.16%	\$ 8,605,957,586	\$ 287,863,529,751 100.00%	\$ 420,712,722,032
2010	64,799,464,910 20.09%	89,120,171,479	28,735,416,677 8.91%	39,151,322,368	46,554,772,530 14.43%	59,857,675,826	6,207,022,594 1.92%	8,885,586,796	322,613,718,625 100.00%	483,519,798,809
2009 (4)	73,364,672,321 20.11%	105,800,594,551	32,149,838,024 8.81%	45,690,203,869	53,170,778,042 14.58%	70,539,563,052	5,851,825,793 1.60%	8,848,146,235	364,790,289,103 100.00%	567,759,516,242
2008	80,171,847,018 20.03%	114,317,705,946	32,728,357,906 8.18%	45,514,480,070	62,685,251,050 15.66%	83,355,313,080	5,774,715,375 1.44%	8,387,422,260	400,166,690,276 100.00%	609,061,819,029
2007	75,661,254,861 20.78%	110,368,480,158	28,070,713,660 7.71%	37,942,552,926	59,015,112,895 16.21%	81,694,691,410	4,622,447,404 1.27%	6,755,285,291	364,100,486,292 100.00%	559,270,151,000
2006	62,891,555,541 21.84%	87,770,598,200	22,463,188,999 7.80%	27,996,939,791	46,517,976,673 16.15%	61,995,122,756	3,387,814,344 1.18%	5,142,166,017	288,027,816,770 100.00%	421,502,241,056
2005	54,946,057,068 22.43%	74,965,518,100	19,808,792,690 8.09%	23,216,260,315	38,833,229,197 15.85%	50,750,692,901	2,315,885,537 0.95%	3,487,213,628	244,929,632,264 100.00%	348,472,413,775
2004	49,736,379,395 22.73%	66,487,561,200	18,175,358,199 8.31%	21,243,060,892	34,139,701,996 15.60%	43,539,696,480	2,000,620,073 0.91%	2,944,121,089	218,825,726,760 100.00%	305,127,473,088
2003	45,522,214,631 23.15%	59,343,393,200	16,372,841,445 8.32%	20,383,440,390	29,864,864,281 15.18%	36,752,413,719	1,768,005,357 0.90%	2,650,276,940	196,733,416,139 100.00%	272,182,121,554
2002	42,412,684,581 23.56%	52,852,990,700	15,470,541,404 8.60%	18,441,382,093	26,353,336,881 14.64%	31,567,616,197	1,507,383,751 0.84%	2,359,021,549	179,984,482,391 100.00%	242,537,579,519

- (1) Taxable Assessed Value is calculated at 100 percent of market value less exempt and immune values and are as of January 1 on the calendar year preceding the applicable District fiscal year.
- (2) Taxable Assessed Value is calculated at 100 percent of market value less exempt and immune values, represents only those portions of counties within District boundaries and are as of January 1 on the calendar year preceding the applicable District fiscal year.
- (3) The Estimated Just Value represents the estimated total value of taxable property within the 16-county area encompassed by the District, and is updated based on the Department of Revenue Comparative Statement of Just Values, Real Property Only as of January 1 on the calendar year preceding the applicable District fiscal year.
- (4) The reduction in Taxable Assessed and Estimated Just Values in fiscal year 2009 was due to declining property values and the impact of the amendment to the Florida Constitution (Amendment 1) that was passed by voters on January 29, 2008.

Sources: District records - Finance Department, Budget Section; Florida Statistical Abstract, State of Florida, Department of Revenue.

**Southwest Florida Water Management District**  
**Schedule of Property Tax Rates for the District and Watershed Basins (Per \$1,000 Assessed Valuation)**  
**For the Last Ten Fiscal Years**  
(unaudited)

Fiscal Year	General Fund (Districtwide)	Alafia River Basin	Hillsborough River Basin	Northwest Hillsborough Basin (2)	Coastal Rivers Basin	Pinellas-Anclote River Basin	Withlacoochee River Basin	Peace River Basin	Manasota Basin	Maximum Legal Rate (1)	
										Districtwide	Per Basin
2011	0.3770	0.2163	0.2300	N/A	0.1885	0.2600	0.2308	0.1827	0.1484	0.5000	0.5000
2010	0.3866	0.2163	0.2421	N/A	0.1885	0.3200	0.2308	0.1827	0.1484	0.5000	0.5000
2009	0.3866	0.2163	0.2547	0.2421	0.1885	0.3600	0.2308	0.1827	0.1484	0.5000	0.5000
2008	0.3866	0.2163	0.2547	0.2421	0.1885	0.3701	0.2308	0.1827	0.1484	0.5000	0.5000
2007	0.4220	0.2400	0.2850	0.2680	0.2050	0.4000	0.2650	0.1950	0.1600	0.5000	0.5000
2006	0.4220	0.2400	0.2850	0.2680	0.2350	0.4000	0.2650	0.1950	0.1600	0.5000	0.5000
2005	0.4220	0.2400	0.2850	0.2680	0.2350	0.4000	0.2650	0.1950	0.1600	0.5000	0.5000
2004	0.4220	0.2400	0.2850	0.2680	0.2350	0.4000	0.2650	0.1950	0.1600	0.5000	0.5000
2003	0.4220	0.2400	0.2850	0.2680	0.2350	0.4000	0.2650	0.1950	0.1600	0.5000	0.5000
2002	0.4220	0.2400	0.2850	0.2680	0.2350	0.4000	0.2950	0.1950	0.1600	0.5000	0.5000

(1) The maximum legal millage rates for ad valorem taxes are established under Chapter 373.503, Florida Statutes, for the District and Basins.

(2) In fiscal year 2009, the Governing Board approved the merger of the Hillsborough River Basin and the Northwest Hillsborough Basin, effective January 1, 2009. The newly merged basin is known as the Hillsborough River Basin. The Governing Board recommended the newly merged Basin Board adopt the lower of the two fiscal year 2009 millage rates for fiscal year 2010, which was the Northwest Hillsborough Basin's millage rate of 0.2421.

Sources: District records - Finance Department, Budget Section, annual service budget reports.

**Southwest Florida Water Management District  
Schedule of Principal Taxpayers  
Current Year and Nine Years Ago  
(unaudited)**

<u>County</u>	<u>Fiscal Year</u>					
	<u>2011</u>			<u>2002</u>		
	<u>Taxable Assessed Value</u> <u>(Thousands) (1)</u>	<u>Rank</u>	<u>Percent of Total Taxable Assessed Value</u>	<u>Taxable Assessed Value</u> <u>(Thousands) (1)</u>	<u>Rank</u>	<u>Percent of Total Taxable Assessed Value</u>
Hillsborough	\$ 65,116,420	1	22.61 %	\$ 42,891,980	1	23.83 %
Pinellas	58,395,260	2	20.29	42,412,684	2	23.56
Sarasota	42,118,634	3	14.63	26,353,337	3	14.64
Polk	24,919,833	4	8.66	15,470,541	4	8.60
Manatee	24,909,396	5	8.65	14,359,883	5	7.98
Pasco	20,754,922	6	7.21	11,002,948	6	6.11
Charlotte	13,386,137	7	4.65	8,386,851	7	4.66
Citrus	9,614,306	8	3.34	5,585,926	8	3.10
Hernando	8,393,837	9	2.92	4,734,177	9	2.63
Sumter	6,224,354	10	2.16	1,507,384	12	0.84
Marion	5,746,672	11	2.00	2,501,256	10	1.39
Highlands	4,235,779	12	1.47	2,477,528	11	1.38
Hardee	1,548,821	13	0.54	934,389	13	0.52
DeSoto	1,440,296	14	0.50	860,589	14	0.48
Levy	978,842	15	0.34	472,651	15	0.26
Lake	80,021	16	0.03	32,358	16	0.02
	<u>\$287,863,530</u>		<u>100.00 %</u>	<u>\$179,984,482</u>		<u>100.00 %</u>

(1) Valuations are as of January 1 on the calendar year preceding the applicable District fiscal year.

Sources: District records - Finance Department, Budget Section; Florida Statistical Abstract, State of Florida, Department of Revenue.

**Southwest Florida Water Management District  
Ratios of Outstanding Debt  
For the Last Four Fiscal Years (1)  
(unaudited)**

<u>Fiscal Year (1)</u>	<u>Governmental Activities</u>		<u>Total Debt</u>	<u>Estimated Just Value (2)</u>	<u>Percentage of Estimated Just Value</u>	<u>District Population</u>	<u>Per Capita</u>
	<u>Capital Leases</u>						
2011	\$ -	\$ -	\$ -	\$ 420,712,722,032	0.0000 %	4,804,911	0.00
2010	871,253	871,253	871,253	483,519,798,809	0.0002	4,726,655	0.18
2009	1,543,074	1,543,074	1,543,074	567,759,516,242	0.0003	4,688,370	0.33
2008	1,308,866	1,308,866	1,308,866	609,061,819,029	0.0002	4,663,063	0.28

(1) Fiscal year 2008 is the first year the District incurred capital lease debt, which was paid in full as of September 30, 2011. Details regarding the District's outstanding capital lease debt can be found in the notes to the financial statements (see Note IV.G., page 40).

(2) The Estimated Just Value represents the estimated total value of taxable property within the 16-county area encompassed by the District as of January 1 on the calendar year preceding the applicable District fiscal year.

Sources: Population figures historical (2008-2009) and projections (2010-2011) were obtained from Woods & Poole Economics, 2012 Florida State Profile: State and County Projections to 2040. District portional populations were obtained by GIS Associates, Inc., Estimates of 2005 Census Populations and Geographic Boundaries of the SWFWMD, 2008.

**Southwest Florida Water Management District**  
**Demographic Statistics – Population by District, Basin and County**  
**Calendar Year 2011**  
(unaudited)

**Southwest Florida Water Management District by Basin**

County	County Total	Within District Population	Green Swamp	Alafia River	Hillsborough River	Coastal Rivers	Pinellas-Anclote River	Withlacoochee River	Peace River	Manasota
Charlotte *	162,434	161,804	N/A	N/A	N/A	N/A	N/A	N/A	161,804	N/A
Citrus	145,041	145,041	N/A	N/A	N/A	56,566	N/A	88,475	N/A	N/A
DeSoto	35,393	35,393	N/A	N/A	N/A	N/A	N/A	N/A	35,393	N/A
Hardee	28,045	28,045	N/A	N/A	N/A	N/A	N/A	N/A	28,045	N/A
Hernando	180,340	180,340	N/A	N/A	N/A	154,371	N/A	25,969	N/A	N/A
Highlands*	102,133	92,282	N/A	N/A	N/A	N/A	N/A	N/A	92,282	N/A
Hillsborough	1,251,509	1,251,509	N/A	345,416	906,093	N/A	N/A	N/A	N/A	N/A
Lake*	306,413	982	982	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Levy*	41,754	23,672	N/A	N/A	N/A	N/A	N/A	23,672	N/A	N/A
Manatee	330,663	330,663	N/A	N/A	N/A	N/A	N/A	N/A	N/A	330,663
Marion*	337,267	105,120	N/A	N/A	N/A	N/A	N/A	105,120	N/A	N/A
Pasco	478,639	478,639	2,393	N/A	161,301	198,635	91,899	24,411	N/A	N/A
Pinellas	924,279	924,279	N/A	N/A	N/A	N/A	924,279	N/A	N/A	N/A
Polk*	608,552	564,865	66,483	65,209	73,964	N/A	N/A	N/A	359,209	N/A
Sarasota	384,045	384,045	N/A	N/A	N/A	N/A	N/A	N/A	N/A	384,045
Sumter	98,232	98,232	N/A	N/A	N/A	N/A	N/A	98,232	N/A	N/A
<b>Total</b>	<b>5,414,739</b>	<b>4,804,911</b>	<b>69,858</b>	<b>410,625</b>	<b>1,141,358</b>	<b>409,572</b>	<b>1,016,178</b>	<b>365,879</b>	<b>676,733</b>	<b>714,708</b>

\* Data is for portion of the county located within District boundaries.  
Permanent Population = Year-round residents only.

Sources: Fiscal year 2011 County Total population figures are projections obtained from Woods and Poole Economics, 2012 Florida State Profile: State and County Projections to 2040. Basin and County portional populations were obtained by GIS Associates, Inc., 2010 property parcel-based population estimates summarized by county and District boundaries (SWFWMD - Planning Department, 2011) and BEBR Projections of Florida Population by County, 2010-2040, Florida Population Studies Volume 44 Bulletin 159, June 2011.

**Southwest Florida Water Management District  
Demographic Statistics – Population by County  
For the Last Ten Calendar Years  
(unaudited)**

<u>Calendar Year</u>	<u>Charlotte * County</u>	<u>Citrus County</u>	<u>DeSoto County</u>	<u>Hardee County</u>	<u>Hernando County</u>	<u>Highlands * County</u>	<u>Hillsborough County</u>	<u>Lake * County</u>
2011	161,804 3.37%	145,041 3.02%	35,393 0.74%	28,045 0.58%	180,340 3.75%	92,282 1.92%	1,251,509 26.05%	982 0.02%
2010	159,363 3.37%	141,129 2.99%	34,984 0.74%	27,801 0.59%	173,008 3.66%	89,265 1.89%	1,233,846 26.10%	938 0.02%
2009	159,051 3.39%	141,381 3.02%	34,592 0.74%	27,661 0.59%	171,950 3.67%	89,618 1.91%	1,214,050 25.89%	889 0.02%
2008	159,934 3.43%	142,122 3.05%	34,374 0.74%	27,603 0.59%	172,437 3.70%	90,294 1.94%	1,196,773 25.66%	843 0.02%
2007	159,259 3.45%	140,974 3.05%	34,537 0.75%	27,489 0.59%	169,891 3.68%	89,921 1.95%	1,184,686 25.63%	795 0.02%
2006	156,671 3.44%	137,826 3.03%	34,300 0.75%	27,049 0.59%	164,398 3.61%	88,920 1.95%	1,171,826 25.72%	737 0.02%
2005	154,886 3.48%	133,791 3.00%	33,864 0.76%	26,874 0.60%	157,156 3.53%	87,061 1.95%	1,143,154 25.65%	669 0.02%
2004	156,221 3.60%	129,840 2.99%	33,895 0.78%	26,847 0.62%	149,593 3.45%	84,791 1.95%	1,108,225 25.52%	740 0.02%
2003	150,634 3.56%	126,215 2.98%	33,271 0.79%	26,765 0.63%	142,686 3.37%	82,882 1.96%	1,077,462 25.44%	816 0.02%
2002	146,495 3.52%	123,491 2.97%	32,446 0.78%	26,787 0.64%	137,818 3.32%	82,004 1.97%	1,054,860 25.38%	909 0.02%

\* Data is for portion of the county located within the District boundaries.

Permanent Population = Year-round residents only

Sources: Historical (2002-2009) and projected (2010-2011) population data was updated from Woods & Poole Economics, 2012 Florida State Profile: State and County Projections to 2040.

Basin and County portional populations were obtained by GIS Associates, Inc., 2010 property parcel-based population estimates summarized by county and District boundaries (SWFWMD - Planning Department, 2011) and BEBR Projections of Florida Population by County, 2010-2040, Florida Population Studies Volume 44, Bulletin 159, June 2011.

(continued)

**Southwest Florida Water Management District  
Demographic Statistics – Population by County  
For the Last Ten Calendar Years**  
(unaudited)  
(continued)

Calendar Year	Levy * County	Manatee County	Marion * County	Pasco County	Pinellas County	Polk * County	Sarasota County	Sumter County	Total
2011	23,672 0.49%	330,663 6.88%	105,120 2.19%	478,639 9.96%	924,279 19.24%	564,865 11.76%	384,045 7.99%	98,232 2.04%	4,804,911 100.00%
2010	23,077 0.49%	323,435 6.84%	102,769 2.17%	465,543 9.85%	916,719 19.39%	560,830 11.87%	379,874 8.04%	94,074 1.99%	4,726,655 100.00%
2009	23,253 0.50%	320,711 6.84%	101,684 2.17%	462,607 9.87%	915,330 19.51%	557,688 11.90%	377,262 8.05%	90,643 1.93%	4,688,370 100.00%
2008	23,306 0.50%	318,766 6.84%	100,483 2.15%	461,313 9.89%	916,458 19.65%	554,746 11.90%	377,178 8.09%	86,433 1.85%	4,663,063 100.00%
2007	23,054 0.50%	316,410 6.85%	98,214 2.12%	453,579 9.81%	918,624 19.86%	547,186 11.84%	375,325 8.12%	82,101 1.78%	4,622,045 100.00%
2006	22,711 0.50%	313,771 6.89%	94,511 2.07%	439,529 9.65%	924,182 20.30%	531,343 11.66%	371,361 8.15%	76,202 1.67%	4,555,337 100.00%
2005	22,172 0.50%	306,845 6.88%	89,855 2.02%	421,844 9.46%	929,426 20.85%	512,378 11.50%	367,912 8.25%	69,261 1.55%	4,457,148 100.00%
2004	21,480 0.49%	296,183 6.82%	84,853 1.95%	401,648 9.25%	928,305 21.38%	497,479 11.46%	357,751 8.24%	64,456 1.48%	4,342,307 100.00%
2003	20,723 0.49%	287,000 6.78%	80,362 1.90%	383,238 9.05%	926,266 21.86%	487,146 11.50%	347,862 8.21%	61,934 1.46%	4,235,262 100.00%
2002	20,211 0.49%	279,950 6.74%	76,753 1.85%	369,665 8.89%	925,102 22.27%	479,546 11.54%	340,590 8.19%	59,539 1.43%	4,156,166 100.00%

\* Data is for portion of the county located within the District boundaries.

Permanent Population = Year-round residents only

Sources: Historical (2002-2009) and projected (2010-2011) population data was updated from Woods & Poole Economics, 2012 Florida State Profile: State and County Projections to 2040.

Basin and County portional populations were obtained by GIS Associates, Inc., 2010 property parcel-based population estimates summarized by county and District boundaries (SWFWMD - Planning Department, 2011) and BEBR Projections of Florida Population by County, 2010-2040, Florida Population Studies Volume 44, Bulletin 159, June 2011.

**Southwest Florida Water Management District  
Demographic Statistics – Changes in Population  
For the Last Ten Calendar Years**

<u>Calendar Year</u>	<u>Population (1)</u>	<u>Increase</u>	<u>Percent Increase</u>
2011	4,804,911	78,256	1.66 %
2010	4,726,655	38,285	0.82
2009	4,688,370	25,307	0.54
2008	4,663,063	41,018	0.89
2007	4,622,045	66,708	1.46
2006	4,555,337	98,189	2.20
2005	4,457,148	114,841	2.64
2004	4,342,307	107,045	2.53
2003	4,235,262	79,096	1.90
2002	4,156,166		

(1) Data includes counties and portions of counties located within the District boundaries and are for calendar years.

Sources: Historical (2002-2009) and projected (2010-2011) population data was updated from Woods & Poole Economics, 2012 Florida State Profile: State and County Projections to 2040. Basin and County portional populations were developed from GIS Associates, Inc., 2010 property parcel-based population estimates summarized by county and District boundaries (SWFWMD - Planning Department, 2011) and BEBR Projections of Florida Population by County, 2010-2040, Florida Population Studies Volume 44, Bulletin 159, June 2011.

**Southwest Florida Water Management District**  
**Demographic Statistics – Income and Unemployment by County**  
**For the Last Ten Calendar Years**  
(unaudited)

Calendar Year	Charlotte County			Citrus County		
	Personal Income (Millions)	Per Capita Income	Unemployment Rate	Personal Income (Millions)	Per Capita Income	Unemployment Rate
2011	\$ 5,443.05	\$ 33,509	11.1 %	\$ 4,274.04	\$ 29,468	11.7 %
2010	5,288.75	33,057	12.4	4,129.61	29,261	12.9
2009	5,155.30	32,295	11.5	4,014.40	28,394	11.7
2008	5,274.74	32,871	8.0	3,991.91	28,088	8.0
2007	5,333.71	33,390	4.9	4,039.44	28,654	4.9
2006	5,193.40	33,058	3.3	3,892.97	28,246	3.7
2005	4,894.18	31,522	3.9	3,679.13	27,499	4.2
2004	4,718.59	29,911	5.2	3,445.87	26,539	5.4
2003	4,271.25	27,874	5.4	3,271.41	25,919	6.2
2002	4,224.78	28,142	5.6	3,186.17	25,801	6.6

All data is based on county-wide data and income figures are presented in 2005 dollars.

Sources: Unemployment data was obtained from Bureau of Labor Statistics, U.S. Department of Labor, 2011. Unemployment data for fiscal year 2011 is an 11 month average. Personal and Per Capita Income historical (2002-2009) and projected (2010-2011) were obtained from Woods and Poole Economics, 2012 Florida State Profile: State and County Projections to 2040.

(continued)

**Southwest Florida Water Management District**  
**Demographic Statistics – Income and Unemployment by County**  
**For the Last Ten Calendar Years**  
(unaudited)  
(continued)

Calendar Year	DeSoto County			Hardee County		
	Personal Income (Millions)	Per Capita Income	Unemployment Rate	Personal Income (Millions)	Per Capita Income	Unemployment Rate
2011	\$ 767.15	\$ 21,675	10.5 %	\$ 661.20	\$ 23,576	10.4 %
2010	750.37	21,449	11.1	629.31	22,636	11.5
2009	732.48	21,175	9.8	596.33	21,559	10.3
2008	721.19	20,981	6.6	597.88	21,660	6.5
2007	728.61	21,097	4.7	591.61	21,522	4.4
2006	728.59	21,242	3.6	588.80	21,768	3.9
2005	687.56	20,304	4.5	592.42	22,045	4.7
2004	646.87	19,085	5.6	558.36	20,798	6.0
2003	600.54	18,050	5.7	532.93	19,911	6.6
2002	601.98	18,553	6.1	532.51	19,879	7.2

All data is based on county-wide data and income figures are presented in 2005 dollars.

Sources: Unemployment data was obtained from Bureau of Labor Statistics, U.S. Department of Labor, 2011. Unemployment data for fiscal year 2011 is an 11 month average. Personal and Per Capita Income historical (2002-2009) and projected (2010-2011) were obtained from Woods and Poole Economics, 2012 Florida State Profile: State and County Projections to 2040.

(continued)

**Southwest Florida Water Management District**  
**Demographic Statistics – Income and Unemployment by County**  
**For the Last Ten Calendar Years**  
(unaudited)  
(continued)

Calendar Year	Hernando County			Highlands County		
	Personal Income (Millions)	Per Capita Income	Unemployment Rate	Personal Income (Millions)	Per Capita Income	Unemployment Rate
2011	\$ 4,963.20	\$ 27,521	13.6 %	\$ 2,725.42	\$ 26,685	11.4 %
2010	4,802.13	27,757	11.7	2,656.08	26,911	11.7
2009	4,697.64	27,320	10.5	2,582.52	26,098	10.5
2008	4,674.25	27,107	7.0	2,552.19	25,633	7.0
2007	4,693.90	27,629	4.6	2,580.99	26,065	4.6
2006	4,515.14	27,465	3.7	2,502.08	25,587	3.7
2005	4,230.46	26,919	4.6	2,359.25	24,675	4.2
2004	4,012.98	26,826	5.1	2,267.30	24,359	5.1
2003	3,814.46	26,733	5.6	2,188.97	24,070	5.6
2002	3,688.89	26,766	6.1	2,167.27	24,097	6.1

All data is based on county-wide data and income figures are presented in 2005 dollars.

Sources: Unemployment data was obtained from Bureau of Labor Statistics, U.S. Department of Labor, 2011. Unemployment data for fiscal year 2011 is an 11 month average. Personal and Per Capita Income historical (2002-2009) and projected (2010-2011) were obtained from Woods and Poole Economics, 2012 Florida State Profile: State and County Projections to 2040.

(continued)

**Southwest Florida Water Management District**  
**Demographic Statistics – Income and Unemployment by County**  
**For the Last Ten Calendar Years**  
(unaudited)  
(continued)

Calendar Year	Hillsborough County			Lake County		
	Personal Income (Millions)	Per Capita Income	Unemployment Rate	Personal Income (Millions)	Per Capita Income	Unemployment Rate
2011	\$ 42,829.55	\$ 34,222	10.7 %	\$ 9,258.75	\$ 30,217	10.8 %
2010	41,854.27	33,922	11.8	8,957.20	30,063	12.0
2009	41,688.72	34,339	10.3	8,801.60	29,784	10.8
2008	42,021.12	35,112	6.2	8,993.99	30,628	6.3
2007	42,080.14	35,520	4.0	9,077.71	31,312	4.0
2006	41,543.17	35,452	3.2	8,692.44	30,898	3.3
2005	39,259.89	34,343	3.7	8,108.73	30,303	3.7
2004	37,270.05	33,630	4.3	7,726.23	30,344	4.4
2003	35,337.52	32,797	5.1	7,120.83	29,487	5.2
2002	33,905.34	32,142	5.4	6,748.36	29,148	5.7

All data is based on county-wide data and income figures are presented in 2005 dollars.

Sources: Unemployment data was obtained from Bureau of Labor Statistics, U.S. Department of Labor, 2011. Unemployment data for fiscal year 2011 is an 11 month average. Personal and Per Capita Income historical (2002-2009) and projected (2010-2011) were obtained from Woods and Poole Economics, 2012 Florida State Profile: State and County Projections to 2040.

(continued)

**Southwest Florida Water Management District**  
**Demographic Statistics – Income and Unemployment by County**  
**For the Last Ten Calendar Years**  
(unaudited)  
(continued)

Calendar Year	Levy County			Manatee County		
	Personal Income (Millions)	Per Capita Income	Unemployment Rate	Personal Income (Millions)	Per Capita Income	Unemployment Rate
2011	\$ 1,008.91	\$ 24,163	11.0 %	\$ 12,032.75	\$ 36,390	10.9 %
2010	966.26	23,721	12.2	11,701.05	36,177	12.3
2009	930.37	22,759	11.1	11,562.75	36,053	11.2
2008	936.46	22,947	6.9	11,743.62	36,841	6.8
2007	940.60	23,396	4.1	12,335.90	38,987	4.0
2006	931.55	23,615	3.5	12,223.73	38,957	3.0
2005	901.07	23,493	3.7	11,620.59	37,871	3.4
2004	845.53	22,541	4.6	10,822.33	36,539	4.1
2003	785.90	21,514	5.3	9,993.80	34,822	4.7
2002	759.80	21,127	5.8	9,871.43	35,261	5.0

All data is based on county-wide data and income figures are presented in 2005 dollars.

Sources: Unemployment data was obtained from Bureau of Labor Statistics, U.S. Department of Labor, 2011. Unemployment data for fiscal year 2011 is an 11 month average. Personal and Per Capita Income historical (2002-2009) and projected (2010-2011) were obtained from Woods and Poole Economics, 2012 Florida State Profile: State and County Projections to 2040.

(continued)

**Southwest Florida Water Management District**  
**Demographic Statistics – Income and Unemployment by County**  
**For the Last Ten Calendar Years**  
(unaudited)  
(continued)

Calendar Year	Marion County			Pasco County		
	Personal Income (Millions)	Per Capita Income	Unemployment Rate	Personal Income (Millions)	Per Capita Income	Unemployment Rate
2011	\$ 9,769.73	\$ 28,967	12.6 %	\$ 13,396.12	\$ 27,988	11.9 %
2010	9,507.91	28,700	13.8	12,911.90	27,735	13.1
2009	9,358.66	28,284	12.4	12,632.43	27,307	11.6
2008	9,491.24	28,757	7.7	12,733.44	27,603	7.3
2007	9,626.15	29,561	4.4	12,700.12	28,000	4.8
2006	9,362.41	29,599	3.4	12,083.07	27,491	3.8
2005	8,610.59	28,366	3.7	11,285.84	26,754	4.3
2004	7,925.28	27,219	4.6	10,654.12	26,526	5.0
2003	7,328.32	26,164	5.4	10,093.08	26,336	5.6
2002	6,961.71	25,621	5.9	9,602.13	25,975	5.9

All data is based on county-wide data and income figures are presented in 2005 dollars.

Sources: Unemployment data was obtained from Bureau of Labor Statistics, U.S. Department of Labor, 2011. Unemployment data for fiscal year 2011 is an 11 month average. Personal and Per Capita Income historical (2002-2009) and projected (2010-2011) were obtained from Woods and Poole Economics, 2012 Florida State Profile: State and County Projections to 2040.

(continued)

**Southwest Florida Water Management District**  
**Demographic Statistics – Income and Unemployment by County**  
**For the Last Ten Calendar Years**  
(unaudited)  
(continued)

Calendar Year	Pinellas County			Polk County		
	Personal Income (Millions)	Per Capita Income	Unemployment Rate	Personal Income (Millions)	Per Capita Income	Unemployment Rate
2011	\$ 37,127.83	\$ 40,170	10.6 %	\$ 18,028.78	\$ 29,626	11.6 %
2010	36,079.52	39,357	11.7	17,525.97	29,075	12.5
2009	35,683.97	38,985	10.5	17,280.69	28,865	11.0
2008	36,910.23	40,275	6.3	17,707.80	29,771	6.6
2007	37,603.13	40,934	4.0	17,684.08	30,179	4.4
2006	37,714.93	40,809	3.3	17,201.02	30,266	3.6
2005	36,616.57	39,397	3.8	16,329.96	29,833	4.0
2004	35,443.20	38,181	4.4	15,194.35	28,794	4.9
2003	34,067.70	36,780	5.3	14,094.65	27,472	5.5
2002	33,793.16	36,529	5.6	13,575.96	27,072	5.8

All data is based on county-wide data and income figures are presented in 2005 dollars.

Sources: Unemployment data was obtained from Bureau of Labor Statistics, U.S. Department of Labor, 2011. Unemployment data for fiscal year 2011 is an 11 month average. Personal and Per Capita Income historical (2002-2009) and projected (2010-2011) were obtained from Woods and Poole Economics, 2012 Florida State Profile: State and County Projections to 2040.

(continued)

**Southwest Florida Water Management District**  
**Demographic Statistics – Income and Unemployment by County**  
**For the Last Ten Calendar Years**  
(unaudited)  
(continued)

Calendar Year	Sarasota County			Sumter County		
	Personal Income (Millions)	Per Capita Income	Unemployment Rate	Personal Income (Millions)	Per Capita Income	Unemployment Rate
2011	\$ 19,647.65	\$ 51,160	10.8 %	\$ 2,382.69	\$ 24,256	8.1 %
2010	19,145.57	50,400	12.2	2,280.29	24,239	9.2
2009	19,021.26	50,419	11.0	2,153.14	23,754	8.9
2008	19,713.21	52,265	7.0	2,050.53	23,724	5.5
2007	19,651.89	52,360	4.3	1,898.14	23,120	3.4
2006	19,455.10	52,389	3.1	1,756.33	23,048	2.7
2005	18,169.34	49,385	3.4	1,538.02	22,206	3.3
2004	17,355.86	48,514	4.0	1,362.48	21,138	4.5
2003	15,677.34	45,068	4.6	1,230.95	19,875	5.2
2002	15,423.68	45,285	4.8	1,128.10	18,947	5.8

All data is based on county-wide data and income figures are presented in 2005 dollars.

Sources: Unemployment data was obtained from Bureau of Labor Statistics, U.S. Department of Labor, 2011. Unemployment data for fiscal year 2011 is an 11 month average. Personal and Per Capita Income historical (2002-2009) and projected (2010-2011) were obtained from Woods and Poole Economics, 2012 Florida State Profile: State and County Projections to 2040.

**Southwest Florida Water Management District  
Demographic Statistics  
Top Ten Non-Government Employers Within a Single County  
For Fiscal Years Ending September 30, 2011 and September 30, 2008  
(unaudited)**

Employer	Fiscal Year							
	2011				2008			
County	Number of Employees	Rank	Percent of Total Workforce	County	Number of Employees	Rank	Percent of Total Workforce	
Publix Super Markets	Polk	9,300	1	0.39 %	Polk	9,500	2	0.39 %
WalMart	Polk	5,100	2	0.21	Polk	5,100	6	0.21
JPMorgan Chase	Hillsborough	4,733	3	0.20	Hillsborough	5,237	5	0.21
Lakeland Regional Medical Center	Polk	4,600	4	0.19	Polk	4,600	8	0.19
Home Shopping Network	Pinellas	4,000	5	0.17	-	-	-	-
Fidelity Information Service	Pinellas	4,000	6	0.17	-	-	-	-
H. Lee Moffitt Cancer Center & Research Institute	Hillsborough	3,218	7	0.13	-	-	-	-
Nielsen Media Research	Pinellas	3,000	8	0.12	-	-	-	-
Citi	Hillsborough	2,900	9	0.12	-	-	-	-
Raymond James Financial	Pinellas	2,600	10	0.11	-	-	-	-
Tampa International Airport	-	-	-	-	Hillsborough	7,760	3	0.32
Publix Super Markets	-	-	-	-	Hillsborough	4,630	7	0.19
St. Joseph's Hospital	-	-	-	-	Hillsborough	5,242	4	0.21
Verizon Communications	-	-	-	-	Hillsborough	14,000	1	0.57
MOSAIC	-	-	-	-	Polk	4,000	9	0.16
Bank of America	-	-	-	-	Hillsborough	3,754	10	0.15
Total		<u>43,451</u>		<u>1.81 %</u>		<u>63,823</u>		<u>2.60 %</u>
District 16-County Total Workforce		2,403,018				2,450,452		

Number of employees are tallied within each individual county, not Districtwide. Employers listed represent the top ten county employers within all 16 District counties. Fiscal year data is for the previous calendar year; data prior to fiscal year 2008 not available.

Sources: [E Enterprise County Profiles, 2011 Enterprise Florida, http://www.eflora.com](http://www.eflora.com).

**Southwest Florida Water Management District  
Budgeted Personnel (FTE's) by Program  
For the Last Ten Fiscal Years  
(unaudited)**

<b>Fiscal Year</b>	<b>Water Resources Planning and Monitoring</b>	<b>Acquisition, Restoration and Public Works</b>	<b>Operation and Maintenance of Lands and Works</b>	<b>Regulation</b>	<b>Outreach-Public Education</b>	<b>Management and Administration</b>	<b>Total Budgeted Personnel (FTE's)</b>
2011	151 20.52%	46 6.25%	107 14.54%	193 26.22%	23 3.13%	216 29.34%	736 100.00%
2010	162 22.01%	51 6.93%	103 14.00%	195 26.49%	22 2.99%	203 27.58%	736 100.00%
2009	162 22.01%	51 6.93%	104 14.13%	196 26.63%	20 2.72%	203 27.58%	736 100.00%
2008	131 17.80%	64 8.69%	112 15.22%	206 27.99%	20 2.72%	203 27.58%	736 100.00%
2007	125 16.98%	67 9.10%	107 14.54%	213 28.94%	20 2.72%	204 27.72%	736 100.00%
2006	120 16.30%	67 9.10%	109 14.81%	213 28.94%	20 2.72%	207 28.13%	736 100.00%
2005	120 16.30%	65 8.83%	107 14.54%	216 29.35%	20 2.72%	208 28.26%	736 100.00%
2004	118 16.03%	60 8.15%	112 15.22%	214 29.08%	18 2.45%	214 29.07%	736 100.00%
2003	120 16.30%	54 7.34%	118 16.03%	214 29.08%	17 2.31%	213 28.94%	736 100.00%
2002	123 16.71%	48 6.52%	120 16.30%	216 29.35%	18 2.45%	211 28.67%	736 100.00%

This schedule reports the budgeted personnel full-time equivalents by Program.

Source: District records - Finance Department, Budget Section, August 1, 2011 Standard Format Tentative Budget Submission.

**Southwest Florida Water Management District**  
**Permit Applications and Permits Issued**  
**For the Last Ten Fiscal Years**  
(unaudited)

Fiscal Year	Water Use		Environmental Resource		Well Construction		Total	
	Permit Applications	Permits Issued	Permit Applications	Permits Issued	Permit Applications	Permits Issued	Permit Applications	Permits Issued
2011	1,148 15.23%	1,072 14.61%	1,760 23.35%	1,641 22.37%	4,629 61.42%	4,624 63.02%	7,537 100.00%	7,337 100.00%
2010	1,055 14.37%	973 13.56%	1,883 25.65%	1,803 25.13%	4,403 59.98%	4,400 61.31%	7,341 100.00%	7,176 100.00%
2009	1,102 12.56%	1,044 12.14%	2,454 27.97%	2,392 27.81%	5,219 59.47%	5,165 60.05%	8,775 100.00%	8,601 100.00%
2008	794 5.95%	701 5.47%	3,138 23.52%	3,046 23.77%	9,410 70.53%	9,068 70.76%	13,342 100.00%	12,815 100.00%
2007	718 4.10%	613 3.74%	3,928 22.45%	3,809 23.23%	12,854 73.45%	11,974 73.03%	17,500 100.00%	16,396 100.00%
2006	659 3.57%	605 3.42%	4,321 23.41%	3,640 20.58%	13,475 73.02%	13,443 76.00%	18,455 100.00%	17,688 100.00%
2005	641 3.68%	565 3.31%	3,953 22.65%	3,707 21.68%	12,857 73.67%	12,826 75.01%	17,451 100.00%	17,098 100.00%
2004	652 4.06%	622 4.06%	3,767 23.46%	3,100 20.17%	11,641 72.48%	11,645 (2) 75.77%	16,060 100.00%	15,367 100.00%
2003	6,700 33.63%	6,049 (1) 33.04%	3,334 16.74%	2,374 12.97%	9,888 49.63%	9,884 53.99%	19,922 100.00%	18,307 100.00%
2002	729 4.80%	666 4.71%	3,128 20.60%	2,173 15.38%	11,330 74.60%	11,293 79.91%	15,187 100.00%	14,132 100.00%

(1) Water use permits in the Southern Water Use Caution Area (SWUCA) were automatically updated in 2003, to be in line with the SWUCA I Rule, which accounted for the large number of permit applications for that fiscal year.

(2) Applications received in fiscal year 2003 were issued in fiscal year 2004.

Sources: Fiscal Years 2002-2008 data obtained from the District Regulatory Database, Performance Management Office.

Fiscal Years 2009-2011 data obtained from the District Water Management Information System, Performance Management Office.

**Southwest Florida Water Management District**  
**Estimated Total Water Use by County**  
(million gallons per day)  
**September 30, 2011**  
(unaudited)

<b>County</b>	<b>Agricultural</b>	<b>Industrial Commercial</b>	<b>Mining Dewatering</b>	<b>Public Supply (Withdrawal)</b>	<b>Domestic Self-Supply</b>	<b>Recreational Aesthetic</b>	<b>Total (Withdrawal) (1)</b>	<b>Public Supply (Use) (2)</b>	<b>Total (Use) (3)</b>
Charlotte *	11.985	0.022	0.068	7.097	0.181	1.754	21.107	15.019	29.029
Citrus	2.088	3.076	0.032	14.569	9.241	4.641	33.647	13.228	32.306
DeSoto	71.015	0.490	0.007	22.604	2.017	0.370	96.503	0.848	74.747
Hardee	46.900	1.362	0.360	1.250	0.633	0.102	50.607	1.089	50.446
Hernando	2.450	4.547	3.640	19.846	3.151	5.250	38.884	19.637	38.675
Highlands *	50.373	0.029	0.002	7.181	2.106	2.481	62.172	6.878	61.869
Hillsborough	61.330	9.234	2.501	162.618	11.379	8.810	255.872	113.317	206.571
Lake *	1.565	0.000	0.000	0.000	0.050	0.000	1.615	0.000	1.615
Levy *	7.430	0.071	0.000	0.698	0.929	0.274	9.402	0.631	9.335
Manatee	76.813	0.085	3.592	44.731	1.350	8.588	135.159	36.458	126.886
Marion *	5.113	0.071	0.003	11.260	5.597	4.175	26.219	10.387	25.346
Pasco	13.510	1.450	0.012	65.598	10.571	3.770	94.911	40.752	70.065
Pinellas	0.144	0.047	0.000	15.973	1.494	2.930	20.588	89.234	93.849
Polk *	104.516	31.408	14.126	64.505	12.154	8.658	235.367	63.700	234.562
Sarasota	3.763	0.075	0.043	18.667	2.194	6.531	31.273	28.992	41.598
Sumter	7.774	0.385	0.092	18.731	5.287	2.554	34.823	17.661	33.753
	<u>466.769</u>	<u>52.352</u>	<u>24.478</u>	<u>475.328</u>	<u>68.334</u>	<u>60.888</u>	<u>1,148.149</u>	<u>457.831</u>	<u>1,130.652</u>

Data collection is based on calendar year 2010.

\* Data is for portion of the county located within the District boundaries.

(1) Total (Withdrawal) - Represents the sum of the preceding six columns and represents total water withdrawal by county for all categories.

(2) Public Supply (Use) - Represents total consumptive use of public supply water within a county. When compared to Public Supply (Withdrawal) column, a large difference would represent an import or an export of publicly supplied water from one county to another.

NOTE: Public Supply (Use) versus (Total Withdrawal) differences in Citrus, Hardee, Hernando, Highlands, and Marion are the result of data being obtained from two different sources with slightly different numbers (not inter-county transfers).

(3) Total (Use) - The sum of "Total (Withdrawal)" minus "Public Supply (Withdrawal)" plus "Public Supply (Use)." Represents consumptive use of publicly supplied water in the county.

Source: District records - Table 9 - 2010 Estimated Water Use Report Draft, February 2012.

**Southwest Florida Water Management District**  
**Nature of Capital Assets by Program**  
**Net of Accumulated Depreciation**  
**September 30, 2011**  
(unaudited)

<b>Capital Assets</b>	<b>Water Resources Planning and Monitoring</b>	<b>Acquisition, Restoration and Public Works</b>	<b>Operation and Maintenance of Lands and Works</b>	<b>Regulation</b>	<b>Outreach- Public Education</b>	<b>Management and Administration</b>	<b>Total Capital Assets</b>
Capital Assets not subject to depreciation:							
Land	\$ 560,811	\$ 607,664,551	\$ 1,798,482	\$ -	\$ -	\$ 926,081	\$ 610,949,925
Land Interests	34	99,456,253	-	1,551,362	-	-	101,007,649
Construction in Progress	-	4,554,198	1,198	-	-	21,702,368	26,257,764
Capital Assets subject to depreciation:							
Buildings	6,110	13,094,525	13,906,205	-	-	194,733	27,201,573
Machinery & Equipment	345,250	608,873	3,568,373	6,579	-	6,946,653	11,475,728
Infrastructure	1,644,880	49,325,409	20,019,803	-	-	15,277	71,005,369
Software (1)	201,389	-	-	-	-	9,225,418	9,426,807
Other	563	-	46,886	-	-	3,495	50,944
<b>Total Capital Assets by Program</b>	<b>\$ 2,759,037</b>	<b>\$ 774,703,809</b>	<b>\$ 39,340,947</b>	<b>\$ 1,557,941</b>	<b>\$ -</b>	<b>\$ 39,014,025</b>	<b>\$ 857,375,759</b>
Percent of Total	0.32%	90.36%	4.59%	0.18%	0.00%	4.55%	100.00%

**Land Acquisitions  
(acres)  
Fiscal Year (2)**

	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>
Type of Ownership:								
Fee Simple								
Acquired	1,332	206	3,964	6,809	546	5,071	9,815	6,602
Cumulative	345,116	343,784	343,578	339,614	332,805	332,259	327,188	317,373
Less-Than-Fee								
Acquired	1,277	8,755	320	8,631	719	-	1,817	-
Cumulative	104,422	103,145	94,390	94,070	85,439	84,720	84,720	82,903
<b>Total Acres</b>	<b>449,538</b>	<b>446,929</b>	<b>437,968</b>	<b>433,684</b>	<b>418,244</b>	<b>416,979</b>	<b>411,908</b>	<b>400,276</b>

Land	includes lands where the District has full fee simple interests.
Land Interests	includes lands where the District has less-than-fee interest (i.e., easements).
Construction in Progress	includes intangibles, buildings, and infrastructure not completed.
Buildings	are structures not included in Infrastructure.
Machinery & Equipment	includes vehicles; heavy equipment, computers and other field and office equipment.
Infrastructure	includes well-sites, water structures, bridges, pavilions, pole barns, and other recreational structures.
Software	includes software purchases, in-house developed software, and licenses over \$5,000.
Other	includes signage, kiosks, refrigerators, and other capital assets not included in a specific category above.

(1) The implementation of GASB 51 in fiscal year 2009 created the need to capitalize software. Data not available for fiscal years prior to 2009.

(2) Land data not available by fiscal year prior to 2004.

Source: District records - Finance Department, Property Administration Section.



# Single Audit Compliance



KPMG LLP  
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**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***

The Members of the Governing Board  
Southwest Florida Water Management District:

We have audited the financial statements of the governmental activities and each major fund of the Southwest Florida Water Management District (the District), a component unit of the State of Florida, as of and for the year ended September 30, 2011, which collectively comprise the District's basic financial statements and have issued our report thereon dated March 16, 2012, which was modified to reference the adoption of a new accounting pronouncement. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control over Financial Reporting**

Management of the District is responsible for establishing and maintaining internal control over financial reporting. In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control over financial reporting 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 over financial reporting, 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.



### Compliance and Other Matters

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

We noted certain matters that we reported to management of the District in a separate letter dated March 16, 2012.

This report is intended solely for the information and use of the Governing Board, management, others within the District, federal and state awarding agencies and pass-through entities, and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

March 16, 2012  
Certified Public Accountants



KPMG LLP  
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**Independent Auditors' Report on Compliance with Requirements That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and Chapter 10.550 Rules of the Auditor General**

The Members of the Governing Board  
Southwest Florida Water Management District:

**Compliance**

We have audited the compliance of the Southwest Florida Water Management District (the District), a component unit of the State of Florida, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement*, and the requirements described in the Executive Office of the Governor's *State Projects Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs and state projects for the year ended September 30, 2011. The District's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs and state projects is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Chapter 10.550, *Rules of the Auditor General*. Those standards, OMB Circular A-133, and Chapter 10.550 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2011.

**Internal Control over Compliance**

The management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs and state projects. In planning and performing our audit, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program or state project in order to determine our auditing procedures for the purpose of expressing



our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the District's internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Governing Board, management, others within the District, federal and state awarding agencies and pass-through entities, and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

**KPMG LLP**

March 16, 2012  
Certified Public Accountants

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
Schedule of Expenditures of Federal Awards and State Financial Assistance  
Year ended September 30, 2011

Federal/State Agency/Pass Through Entity	CFDA, CSFA Number	Grant ID#	Expenditures
<b><u>FEDERAL AWARDS</u></b>			
<b><u>U.S. Environmental Protection Agency</u></b>			
Passed through Florida Department of Environmental Protection:			
Non Point Source Implementation Grants:			
Sawgrass Lake Restoration Project	66.460	C9-9945-1504 & 1506	\$ 276,015
<b>Total U.S. Environmental Protection Agency</b>			<b>276,015</b>
<b><u>U.S. Department of Homeland Security - Federal Emergency Management Agency (FEMA)</u></b>			
Direct Program:			
FY2006 Map Modernization Management Support	97.070	EMA-2006-CA-5624	3,969
FY2007 Map Modernization Management Support	97.070	EMA-2007-CA-5723	4,986
<b>Total Program</b>			<b>8,955</b>
Direct Program:			
Cooperating Technical Partners Mapping Activity Statement Citrus & Highlands Co	97.045	EMA-2006-CA-5613	356,588
Cooperating Technical Partners Mapping Activity Statement DeSoto & Hardee Co	97.045	EMA-2005-CA-5218	144,680
Cooperating Technical Partners Mapping Activity Statement Hernando Co	97.045	EMA-2004-CA-5021	160,745
Cooperating Technical Partners Mapping Activity Statement Pasco & Sarasota Co	97.045	EMA-2003-GR-5373	50
Cooperating Technical Partners Mapping Activity Statement Levy & Sumter Co	97.045	EMA-2007-CA-5779	324,216
Cooperating Technical Partners Mapping Activity Statement - Districtwide	97.045	EMA-2010-CA-5084	33,080
<b>Total Program</b>			<b>1,019,359</b>
Passed through Florida Department of Community Affairs:			
Hurricane Charley Disaster Assistance	97.036	FEMA-DR-1539-FL	870
<b>Total Program</b>			<b>870</b>
<b>Total U.S. Department of Homeland Security - FEMA</b>			<b>1,029,184</b>
<b><u>U.S. Department of Interior - Fish and Wildlife Service</u></b>			
Passed through Florida Fish and Wildlife Conservation Commission:			
Springs Coast Remote Sensing Pilot	15.634	FWC 09166	14,200
<b>Total U.S. Department of Interior</b>			<b>14,200</b>
<b><u>U.S. Department of Interior - U.S. Geological Survey</u></b>			
Direct Program:			
USGS Topographical Mapping- Acquisition of Digital Orthoimagery	15.808	G10AC00344	240,000
<b>Total U.S. Department of Interior</b>			<b>240,000</b>
<b><u>U.S. Department of Transportation</u></b>			
Passed through Florida Department of Transportation:			
Highway Planning and Construction Cluster:			
Efficient Transportation Decision Making	20.205	41506422809	173,701
DOT Mitigation	20.205	SWWM1,5,7,8	229,198
<b>Total U.S. Department of Transportation</b>			<b>402,899</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ 1,962,298</b>

(Continued)

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
Schedule of Expenditures of Federal Awards and State Financial Assistance  
Year ended September 30, 2011  
(Continued)

Grantor/Pass through Agency	CFDA, CSFA Number	Grant ID #	Expenditures
<b>STATE AWARDS</b>			
<b>Department of Agriculture and Consumer Services</b>			
Frost Freeze Event Drinking Water Wells	42.018	FDACS 015933	\$ 51,492
<b>Total Department of Agriculture and Consumer Services</b>			<b>51,492</b>
<b>Department of Community Affairs</b>			
Hurricane Charley Disaster Assistance	n/a	FEMA-DR-1539-FL	2,056
<b>Total Department of Community Affairs</b>			<b>2,056</b>
<b>Department of Environmental Protection</b>			
Florida Forever Trust Fund (FFTF) and Water Management Lands Trust Fund (WMLTF):			
Florida Forever - Preacquisition	37.022	FFTF	398,855
Florida Forever - Lake Hancock/Saddle Creek	37.022	FFTF	804,761
WMLTF - Pre-acquisition/Ancillary	37.022	WMLTF	1,765,595
WMLTF - Land Management and Use	37.022	WMLTF	4,547,440
WMLTF - Payment in Lieu of Taxes	37.022	WMLTF	130,913
WMLTF - Surface Water Improvement and Management (SWIM)	37.022	WMLTF	2,967,696
<b>Total Program</b>			<b>10,615,260</b>
Statewide Surface Water Restoration and Wastewater Projects:			
Alligator Creek Habitat Restoration	37.039	W511 SWW51, 81	161,388
Coral Creek Habitat Restoration	37.039	W553 SWW71,81	42,214
Eagle Lake/Joe's Creek Stormwater Treatment & Wetlands Restoration	37.039	W390 SWW71	16,250
Facilitating Agricultural Resource Management Systems (FARMS)	37.039	H017 SWW31,51,61,71,81,91	905,062
Holmes Beach Stormwater Retrofit	37.039	W623 SWW71	41,115
MacDill AFB Phase 3	37.039	W396 SWW71,81	64,756
Myakka River Watershed Evaluation	37.039	H048 SWW71,81,91	426,209
Neal Preserve Environmental Restoration	37.039	W602 SWW81	41,016
Palm River Restoration	37.039	W367 SWW51	17,244
Peace Creek Canal Ecosystem Trust Fund	37.039	H034 SWW71	2,460
Rock Pond Ecosystem Restoration	37.039	W395 SWW61,71,81,91	6,893
Ruskin Inlet Habitat Restoration	37.039	W374 SWW81	1,175
Sawgrass Lake Remediation and Restoration	37.039	B085 SWW81	1,000,000
Sarasota Bay Spoil Island Restoration Project	37.039	W611 SWW51, 71	19,050
Shore Acres Stormwater Vaults	37.039	W271 SWW81	129,348
Terra Ceia Habitat Restoration	37.039	W348 SWW51	108,642
Tropical Hills Drainage Improvements	37.039	W280 SWW91	448,942
Upper Peace River Resource Development	37.039	H024 SWW71	16,100
Upper Peace River/Lake Hancock Level Modification	37.039	H008 SWW71,81	177,391
<b>Total Program</b>			<b>3,625,255</b>
Water Protection and Sustainability Program Trust Fund:			
West-Central Florida Water Restoration Action Plan (WRAP)	37.066	various SWW91	4,244,697
SWIM Restoration Projects	37.066	various WPSPTF	712,511
Surface Water Restoration Projects	37.066	various WPSPTF	16,158
Alternative Water Supply	37.066	various WPSPTF	1,072,242
<b>Total Program</b>			<b>6,045,608</b>
<b>Total Department of Environmental Protection</b>			<b>20,286,123</b>
<b>Department of Transportation (DOT)</b>			
Mitigation Water Management Districts:			
DOT Mitigation	55.031	SWWM1,5,7,8	674,203
Maintenance and Monitoring	55.031	SWWM1,5,7,8	137,522
<b>Total Program</b>			<b>811,725</b>
Stormwater Retrofit:			
North Dale Mabry Hwy Stormwater Retrofit	55.024	W259 A-O888	3,690
Palm River Restoration	55.024	W367 A-OS06	30,808
River Tower Restoration	55.024	W387 A-NZ90	23,096
Robles Park Water Quality	55.024	W235 A-PJ34	41,654
<b>Total Program</b>			<b>99,248</b>
<b>Total Department of Transportation</b>			<b>910,973</b>
<b>Total State Financial Assistance</b>			<b>21,250,644</b>
<b>Total Expenditures of Federal Awards and State Financial Assistance</b>			<b>\$ 23,212,942</b>

See accompanying Note to Schedule of Expenditures of Federal Awards and State Financial Assistance.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**

Note to Schedule of Expenditures of Federal Awards and State Financial Assistance

Year ended September 30, 2011

**(1) Basis of Presentation**

The accompanying schedule of expenditures of federal awards and state financial assistance includes the federal and state grant activity of the Southwest Florida Water Management District, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 215.97, *Florida Statutes*, and Chapter 10.550, *Rules of the Auditor General*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**

Schedule of Findings and Questioned Costs

Year ended September 30, 2011

**(1) Summary of Auditors' Results**

- |     |  |                     |
|-----|--|---------------------|
| (a) | The type of report issued on the basic financial statements:   | Unqualified         |
| (b) | Significant deficiencies in internal control were disclosed by the audit of the basic financial statements:                                  | None reported       |
|     | Material weaknesses:   | No                  |
| (c) | Noncompliance which is material to the basic financial statements:   | No                  |
| (d) | Significant deficiencies in internal control over major federal programs and state projects:   | None reported       |
|     | Material weaknesses:   | No                  |
| (e) | The type of report issued on compliance for major federal programs and state projects:   | Unqualified opinion |
| (f) | Any audit findings which are required to be reported under Section 510(a) of OMB Circular A-133 or Section 215.97, <i>Florida Statutes</i> : | No                  |
| (g) | The major federal programs and state projects are as follows:  |                     |

**CFDA #**

Federal programs:

U.S. Department of Interior - U.S. Geological Survey - USGS Topographical Mapping - Acquisition of Digital Orthoimagery	15.808
Highway Planning and Construction Cluster	20.205

**CSFA #**

State projects:

Department of Environmental Protection - Florida Forever Trust Fund (FFTF) and Water Management Lands Trust Fund (WMLTF)	37.022
Department of Transportation - Mitigation Water Management Districts	55.031

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**

Schedule of Findings and Questioned Costs

Year ended September 30, 2011

(h) Dollar threshold used to distinguish between Type A and Type B federal programs/state projects:

Federal programs	\$	300,000
State projects		637,519

(i) Auditee qualified as a low-risk auditee under Section 530 of OMB Circular A-133: Yes

- (2) **Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*:** None
- (3) **Findings and Questioned Costs Relating to Federal Programs:** None
- (4) **Findings and Questioned Costs Relating to State Projects:** None



# Management Letter



KPMG LLP  
Suite 1700  
100 North Tampa Street  
Tampa, FL 33602-5145

## Management Letter

The Members of the Governing Board  
Southwest Florida Water Management District:

We have audited the financial statements of the governmental activities and each major fund of the Southwest Florida Water Management District (the District), a component unit of the State of Florida, as of and for the year ended September 30, 2011, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 16, 2012, which was modified to refer to the adoption of a new accounting pronouncement.

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 OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have also issued our reports dated March 16, 2012, 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, as well as our report on the District's compliance and internal control over compliance that could have a direct and material effect on each major federal program and state project, and the related schedule of findings and questioned costs. Disclosures in those reports and schedule, if any, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

The *Rules of the Auditor General*, Section 10.554(1)(i)(1), require that we address in the management letter, if not already addressed in the auditors' report on internal control over financial reporting and compliance and other matters, whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding annual financial audit.

The *Rules of the Auditor General*, Section 10.554(1)(i)(2), require that we determine whether or not the District complied with Section 218.415, *Florida Statutes*, regarding the investment of public funds. In connection with our audit, nothing came to our attention that caused us to believe that the District was not in compliance with Section 218.415, *Florida Statutes*.

The *Rules of the Auditor General*, Section 10.554(1)(i)(3), require that we address in the management letter, if not already addressed in the auditors' report on internal control over financial reporting and on compliance and other matters, any recommendations to improve the District's financial management. In connection with our audit, we did not have any such recommendations.



The *Rules of the Auditor General*, Section 10.554(1)(i)(4), require that we address in the management letter any violations of provisions of contracts or grant agreements or abuse that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.

The *Rules of the Auditor General*, Section 10.554(1)(i)(5), provide for disclosure in the management letter based on the auditors' professional judgment of the following matters that have an inconsequential effect on the financial statements, considering both quantitative and qualitative factors, if not already addressed in the auditors' report on internal control over financial reporting and on compliance and other matters:

- (1) Violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, and
- (2) Deficiencies in internal control that are not significant deficiencies.

The results of our audit disclosed no violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, or other deficiencies in internal control that are not significant deficiencies.

The *Rules of the Auditor General*, Section 10.554(1)(i)(6), also require that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The disclosure of this information is included in the notes to the financial statements.

The *Rules of Auditor General*, Section 10.554(1)(i)(7)a., require that a management letter include a statement as to whether the District is in a state of financial emergency as a consequence of conditions described in Section 218.503(1), *Florida Statutes*. Management of the District has determined that the District is not in a state of financial emergency as defined in Section 218.503(1), *Florida Statutes*. In connection with our audit, nothing came to our attention that would indicate that the District had met any of the conditions described in Section 218.503(1), *Florida Statutes*.

The *Rules of the Auditor General*, Section 10.554(1)(i)(7)b., require that we determine whether the annual financial report for the District for the fiscal year ended September 30, 2011, to be filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2011. In connection with our audit, we determined that these reports were in agreement.

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

The *Rules of the Auditor General*, Section 10.554(1)(i)(9), require that we determine whether the District provided monthly financial statements to its governing board and made such monthly statements available for public access on its website by September 1, 2011 pursuant to Section 215.985(12) *Florida Statutes*. In connection with our audit, we determined that the monthly financial statements were provided to the governing board and were available on the District's website.

\* \* \* \* \*



The Members of the Governing Board  
Southwest Florida Water Management District  
Page 3 of 3

This management letter is intended solely for the information and use of the Governing Board, management, others within the organization, and the Auditor General of the State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

March 16, 2012  
Certified Public Accountants