

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended September 30, 2001



Southwest Florida
Water Management District



A Component Unit of the State of Florida

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Prepared by: Finance Department

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Water Management District



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The Front Cover:

The mission of the Southwest Florida Water Management District (District) is to manage the water and water-related resources for the people through regulatory and other programs. Central to the mission is maintaining the balance between the water needs of current and future users while protecting and maintaining the natural systems 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 programs include, but are not limited to: water supply planning, development and conservation; water quality improvement, data collection and analysis; flood protection and control; and natural systems protection and maintenance.

The District does not discriminate on the basis of any individual's disability status. Anyone requiring reasonable accommodation under the ADA should contact Spring Aikens at 352-796-7211, or 1-800-423-1476 (Florida only), extension 4121. TDD only: 1-800-231-6103 (Florida only). Fax number: 352-540-6011, Suncom fax: 663-6011.

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**Southwest Florida Water Management District
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2001**

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Introductory Section

- Letter of Transmittal
- GFOA Certificate of Achievement
- Boundary Map
- Organizational Chart Listing Principal Officials
- Finance Department Listing

March 26, 2002

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, 2001, is hereby submitted.

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 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.

The **Comprehensive Annual Financial Report** is presented in five sections:

- **Introductory Section**, including: this transmittal letter; Certificate of Achievement from the Government Finance Officers Association; District boundary map; District organizational chart; and Finance Department personnel listing.
- **Financial Section**, including: Independent Auditors' Report; Management's Discussion and Analysis; and basic financial statements.

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

- **Statistical**, including: selected financial and demographic information generally presented on a multi-year basis.

- **Supplementary Financial Statements**, including Independent Auditors' report on compliance and on internal controls; Independent Auditors' report on compliance and on internal controls over compliance applicable to each major federal awards program and state financial assistance project; and schedule of expenditures of federal awards and state financial assistance.
- **Management Letter**, included pursuant to the Rules of the Auditor General for the State of Florida.

About the District

The Southwest Florida Water Management District (District) encompasses a 10,000 square mile 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.

Approximately one-fourth of the state's population (4.0 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 around the flood-prone areas of Tampa and Temple Terrace, is the most visible 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 to 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 most projects focus on ensuring enough sustainable quality water for the future.

An 11-member Governing Board determines the District's overall policies, executes its regulatory responsibilities, administers contracts, hires the Executive Director, and authorizes tax levies and budgets. Each member is appointed by the Governor and confirmed by the Florida Senate. District Governing Board members serve four-year staggered terms, are eligible for reappointment, and serve as unpaid citizen volunteers. One or more Governing Board members serve in an ex officio role on each of the District's eight local Basin Boards.

Eight watershed basins within the District are each overseen by a Basin Board. There are 46 Basin Board members, who are also appointed by the Governor and confirmed by the Florida Senate. Basin Board members serve three-year staggered terms, are eligible for reappointment, and serve as unpaid citizen volunteers. They offer a localized perspective to water management. Because of its Districtwide hydrologic significance, the District Governing Board oversees activities in a ninth watershed area, the Green Swamp Basin.

The District, as a publicly funded agency, is keenly aware of its responsibility to evidence accountability. This involves identification and ongoing use of measures related to the District's resource management performance. Such measures must address both **effectiveness** (accomplishing what the District intended to accomplish) and **efficiency** (production of desired results with a minimum expenditure of energy, time, money or materials). This two-tiered approach provides information to meet internal needs but also allows determination and communication of the District's overall effectiveness in managing and protecting water resources. Moreover, it provides key information to the Governing Board in deciding where best to allocate limited resources.

The District works closely with the Executive Office of the Governor (EOG), DEP and the other water management districts to develop statewide "core" measures for both effectiveness and efficiency. The former are reflected as *Water Management Performance Measures*, reported each year in November as part of the Annual Progress Report for the District Water Management Plan. The latter (*Budget Performance Measures* or BPMs) are provided as part of the statutorily required August 1 Tentative Budget Submission to the EOG (Section 373.536, Florida Statutes). Together, these developing indicators provide significant guidance for achieving accountable water resource management.

The District is authorized by the Florida Constitution and Legislature to fund its general operations from ad valorem (property) taxes. The District Governing Board may levy up to one-half mill for the operational costs of the District. In addition, each of the eight Basin Boards may assess up to one-half mill for local water management projects. One mill equals \$1 of tax per \$1,000 of assessed property value. Funding for District programs is supplemented by District permit fees and by grants from federal, state and local governments and leveraged through both public and private partnerships in the public interest.

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 provides funding for District programs through the sale of state debt, sharing of documentary stamp revenues, and the approval of various annual grants and entitlements.

The District's financial statements for the fiscal year ended September 30, 2001, will be incorporated into the State of Florida financial statements for the state's fiscal year ending June 30, 2002, 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. Change in the non-agricultural economic forecast¹ for the sixteen counties within the District will be driven by two significant factors – greater than expected population growth in the nineties and the events following the September 11, 2001, terrorist attacks. Prior to the completion of the 2000 Census, the 2000 population for these sixteen counties was projected to be 4.25 million. The 2000 Census-based estimate is 4.4 million (4.0 million within District boundaries). In all but thirteen north Florida counties, pre-census population has been underestimated. This rapid growth statewide appears to have peaked in the late nineties and may be tapering off more quickly in the southwest area than the rest of the state. This is best reflected in housing starts. While housing starts may be declining around the state after the large increases in the late nineties, housing starts in the District counties will decline faster between 2000 and 2002 (-12.11 percent) than they will in the state as a whole (-5.79 percent) and will continue to decline at a faster pace than the rest of the state. The unemployment rate in District counties is expected to increase to 4.78 percent in 2002 but will be below the statewide rate of 5.30 percent. And while the southwest area still lags the state in real per capita income, the gap appears to be narrowing and growth in real per capita income within the District will exceed that for the state.

The District is also home to a significant agricultural sector. Two of the most prominent crops are citrus and vegetables. Florida's on-tree revenue for oranges in the 2000-2001 season was \$622 million, the

¹ Non-agricultural economic and demographic statistics are abstracted from Florida Long-Term Economic Forecast 2001: Volume 2 – State and Counties. Bureau of Economic and Business Research, University of Florida. September 2001.

lowest since the 1981-1982 season, in spite of increased production. Brazil's production, however, is expected to decline again in the 2001-2002 season and Florida on-tree orange revenue is estimated to increase to \$794 million for the 2001-2002 season. On-tree returns for grapefruit are expected to continue to decrease but may be mitigated by an increase in juice exports².

The demand for fresh vegetables appears to be strong and is likely to continue to grow. However, record setting imports of hothouse vegetables, in particular tomatoes from Canada, Holland, Spain and Israel, have had a significant impact on the demand for field grown tomatoes from Florida and Mexico. Florida tomato acreage has declined from 43,400 acres in the 1999-2000 season to 35,900 acres in the most recent season³. The Palmetto-Ruskin growing region experienced the largest percentage decline in tomato acreage of all the Florida growing regions between the 1998-1999 and 1999-2000 growing seasons. In the short run, the future of the District's vegetable industry will depend in part on vegetable trade disputes with Canada in which it is alleged that Canadian hothouse producers are selling below cost. Without a resolution of the trade dispute or poor growing conditions in other production areas, the near term future does not appear bright. In the longer run, it will depend on the development of new technologies for field grown vegetable producers to make them more competitive with an increasing number of hothouse production rivals.

All of these forecasts were made before September 11th and are, therefore, subject to short-term change. The counties that were projected to have the largest increases in job growth were those where a large share of jobs are in the tourism or retirement industries. Given that tourism and related industries were expected to be the hardest hit immediately after September 11th, these forecasts are likely to change to some extent. No District counties are listed in the top six counties for share of tourism-related jobs. Charlotte, Citrus, Hernando, Highlands, Pasco, Sarasota and Sumter counties are listed in the ten counties with the highest share of residents aged 65 and older. The slowest growth in employment is expected in counties dominated by agriculture and/or mining and manufacturing. Desoto, Hardee and Highlands counties are among the eight counties with the largest shares of farm earnings. No District counties were among the eight counties with the largest shares of earnings from mining and manufacturing. Again, these forecasts could change significantly. On a bright note, the Tampa Bay region was recently reported as the "hottest" job market in the country⁴ and, based on Pinellas County's 2001 data, tourism in the District may not feel the long-term impacts of September 11th as strongly as expected in other parts of the country.

District economic conditions look favorable. The unexpected population boom in the state that occurred in the late 1990s is tapering off and may be declining faster in District counties than the rest of the state. Housing starts in the District in 2010 may decline by 13.44 percent from 2000 levels. Statewide, housing starts are projected to decline by only 0.51 percent during the same period. The decline in population and housing start growth may ease the demand pressure on existing water supplies and need to identify new water resources. Furthermore, the lower than statewide projected rate of unemployment in the District and rising per capita income are indicative of a regional economy better positioned to finance projected water resource and water supply development needs.

Long-term financial planning. The District exercises its management of water resources through five primary "areas of responsibility": water supply, flood protection, water quality, natural systems and management support. Long-term financial planning, as well as strategic direction, is provided by the District Water Management Plan (2001), a financial strategic plan (financial engine) through 2020, and annual development of a Program Budget that connects planning and program budgeting for the agency.

As one example of long-term financial planning in the area of water supply, consider the District's direction for water supply and resource development. The District's Regional Water Supply Plan

² Florida Department of Citrus. Florida Citrus Outlook: 2001-02 Season. Working Paper 2001-2. October 2001.

³ Florida Agricultural Statistics Service. Florida Agricultural Statistics: Vegetable Summary 1999-2000. April 2001 and John J. VanSickle. "The Situation and Outlook in the Fresh Vegetable Market." University of Florida. No date.

⁴ WFLA TV Evening News. December 3, 2001.

(RWSP, August 2001), approved by the Governing Board in July 2001, shows that at least an additional 432 million gallons per day (mgd) of new water supplies will be required by 2020. Of this amount, 215 mgd, at a cost of over \$1 billion, are currently completed, in progress, or programmed (meaning that the funding mechanisms are in place). The remaining 217 mgd through 2020, at a projected cost of \$1.3 billion, have not been developed or funded. The RWSP includes a pay-as-you-go strategic funding plan for implementation (referred to as the financial engine) that depends on the majority of the remaining \$1.3 billion being generated in conjunction with the District's public and private partners. As prescribed by the RWSP financial engine, the fiscal year 2002 combined District budget includes \$15.8 million for Water Supply and Resource Development reserves. The District will continue to seek additional federal, state and local funding through 2020 and strategic public and private partnerships to address the investment necessary to develop the additional new sustainable water supplies for both Northern Tampa Bay and the Southern Water Use Caution Area.

Cash management policies and practices. Cash temporarily idle during the year was pooled and invested in the Local Government Surplus Trust Fund, which is administered by the State Board of Administration, and in government securities with average maturities of 2½ to 3 years. The District's investment policy is to minimize credit and market risks while maintaining a competitive yield on the portfolio. The average rate of return on District investments approximated 5.75 and 5.30 percent for fiscal years 2000 and 2001, respectively. Interest earnings include appreciation in the fair value of investments. Increases in fair value during the current year, however, do not necessarily represent trends that will continue; nor is it always possible to realize such amounts, especially in the case of temporary changes in the fair value of investments that the District intends to hold to maturity.

Risk Management. The Risk Management Section of the District is charged with the responsibility to provide a safe and healthy environment to protect employees and the public against losses that would affect the District's ability to fulfill its goals and objectives. Districtwide safety programs, which familiarize employees with risk control techniques to minimize accident-related losses, have been offered to all District employees.

The District is currently self-insured for workers' compensation. The District contracts with a third-party administrator to administer workers' compensation claims and maintains an excess workers' compensation insurance policy to cover claims in excess of \$350,000 per occurrence. Additional information on the District's risk management activities can be found in Note V.A of the notes to the financial statements.

The District continues to be successful in maintaining employee group medical benefit costs at a level equal to the average cost for similar benefit plans based on industry type, geographic location and plan structure.

Pension Trust Operations. Employees of the District are covered by the Florida Retirement System (FRS). FRS contribution rates are actuarially determined and spread to all participant governments within the FRS system. The District has no obligation in connection with employee benefits offered through this plan beyond its annual contractual payment to the FRS. Additional information on the District's pension arrangements can be found in Note V.D of the notes to the financial statements.

Debt Administration. The District had no outstanding bonded debt at the end of fiscal year 2001.

Major Initiative and Milestones

Fiscal year 2001 was an active year as the District continued its mission of managing the water resources to meet the needs of current and future users, while also protecting the environment.

Comprehensive Watershed Management Initiative. The Comprehensive Watershed Management (CWM) initiative was established in an effort to improve the management of water and related natural resources within the District. Started in 1994, the CWM initiative continues to employ a watershed-

based approach to resource management. Staff from a variety of disciplines and departments make up "watershed management teams" that have been assigned to eleven primary watersheds within the District. Local governments and other stakeholders within each watershed are also significant partners on a number of these teams.

Watershed management teams will annually review the implementation of recommended actions. The teams will report on implementation status in the Annual Report on the District Water Management Plan and provide a brief summary for each watershed. This information will also be used within the Basin Board Five-Year Plans and in District accountability and performance reporting. Following are examples of fiscal year 2001 CWM projects:

Comprehensive Watershed Management Decision Support System

The District is currently developing an advanced decision support system (DSS) to support its CWM initiative. A DSS is a computer application that allows individuals to analyze an organization's business data and present it so it can be used to make business decisions more easily. The goal of the CWM DSS is to provide tools that can be used to organize, analyze and present data that are relevant to the District's five areas of responsibility: water supply, flood protection, water quality, natural systems and management support. While the initial access to these tools is limited to District staff, the long-term goal is to make them available to a wider variety of interested parties, including federal, state and local governmental agencies, private firms and the general public to enhance collective knowledge to support decision making.

The CWM DSS relies heavily on Geographic Information Systems (GIS) technologies. GIS allows data to be easily and comprehensively organized and analyzed for specific geographic areas such as a watershed, county or municipality. In fiscal year 2001, efforts were directed towards the following:

- Expanding internal access to the District's existing GIS system. Currently, over 200 staff can access the system from their desktop computers.
- Integrating the GIS with the District's permitting and water management databases. This capability has led to increased efficiencies in the water-use permitting process and is being widely used during the establishment of minimum flows and levels. An effort funded by the Coastal Rivers Basin Board is underway that will provide "point and click" access to rainfall, surface water and streamflow data.
- Publishing of GIS data on the Internet. Currently over 70 types of GIS data are available for download from the District's Internet site.

Efforts in fiscal year 2002 and beyond will concentrate on expanding access to the District's extensive databases and to include predictive modeling capabilities within the CWM DSS. This will allow the development of "what if" scenarios that can be used to predict the potential impacts of public policy decisions on water resources.

Creation of Water Quality Treatment Pond for Lake Seminole

The treatment pond creation is a five-acre site on Lake Seminole that was transformed from an old building site to a pond site. The project is part of the Lake Seminole Master Agreement between the District's Pinellas-Anclote River Basin Board and Pinellas County. The County purchased the land and managed the project, the District funded 50 percent of the construction cost and allowed land credit for the remaining costs. The project included construction of a stormwater diversion weir and a stormwater pipe underneath Seminole Boulevard. Ponds were designed and constructed to meet the District's new 14-day residence time standard. Stormwater monitoring sites were designed into the project and the remaining steps include purchase and installation of monitoring/sampling equipment and the storm-event monitoring of the pond system.

Hernando County Flood Protection Initiative

The Hernando County Flood Protection Initiative is a Memorandum of Understanding between Hernando County and the District to identify, clarify and better coordinate the individual and joint flood protection responsibilities of each. These two entities will be involved in ongoing programs and initiatives related to the identification, analysis, regulation and resolution of flood problems within the County's jurisdiction. This Memorandum of Understanding addresses coordination in four subject areas, including: data collection, watershed characterization, floodplain analysis, implementation and general provisions.

Surface Water Improvement and Management

The Florida Legislature created the Surface Water Improvement and Management (SWIM) program in 1987 to improve and protect the water quality and natural systems in lakes, rivers and estuaries of regional importance.

Through the SWIM program, the District works with citizen volunteers and federal, state and local governments to restore habitats; stop or slow sources of pollution; preserve natural systems; and perform a variety of water quality monitoring assessment projects. Fiscal year 2001 SWIM projects included:

Broadway Outfall Stormwater Retrofit

This project entails the construction of a stormwater treatment facility. The facility consists of a 62 cubic feet per second continuous deflective separation stormwater treatment device in series with a linear marsh. The project retrofitted approximately 132 acres of highly urbanized land within the city of Temple Terrace. Runoff from this land previously discharged directly into the Hillsborough River, upstream from the city of Tampa's dam, without any water quality treatment. The project specifically targets suspended solids, oils and greases, and the associated contaminants. Construction started in May 2001 and was completed in October 2001.

Largo Regional Stormwater Retrofit

The Largo Regional Stormwater Treatment Facility will annually treat approximately 1,164 acre-feet of stormwater runoff and 1,786 acre-feet of baseflow with aluminum sulfate (alum). Based on laboratory jar tests on stormwater runoff and base flow samples collected at the site, it is estimated the proposed treatment facility will be capable of reducing the annual total nitrogen (TN) load to Boca Ciega Bay by 3,310 kg (7,297 lbs). In addition to the annual reduction in TN, it is estimated the project will be capable of reducing the total phosphorus loadings by 767 kg/yr (1,691 lbs/yr), biochemical oxygen demand loadings by 11,700 kg/yr (25,794 lbs/yr), and total suspended solids loadings by 35,926 kg/yr (79,202 lbs/yr). Also, recreational improvements proposed by the city of Largo include the construction of an educational/interpretative boardwalk, a floating dock and observation tower funded through a separate cooperative funding agreement. Construction started in March 2000 and is scheduled to be completed by March 2002.

Wolf Branch Creek Habitat Restoration

The Wolf Branch Creek Habitat Restoration project involved the creation of 180 acres of new wetlands, restoration and/or enhancement of an additional 135 acres of impacted or altered wetlands, and eradication of exotic vegetation over approximately 80 acres of uplands. This project is located between Apollo Beach and E.G. Simmons Park (southwestern Hillsborough County) on Hillsborough County Environmental Land Acquisition and Protection Program (ELAPP) property comprised of 1,080 acres of upland, wetland and open water habitats. Future funding will be granted to implement an aggressive upland planting program to revegetate the upland portions of the site to improve habitat value and help combat reinfestation of exotics. Restoration of the wetlands was completed in 2001, and the aggressive upland planting program is expected to be completed in 2003.

Apollo Beach Habitat Restoration

The Apollo Beach Habitat Restoration project is located on a 63-acre tract of disturbed land adjacent to Tampa Bay. The property was purchased through the Hillsborough County ELAPP program in 1996 for

the purpose of restoring native coastal habitats and providing a refuge for coastal wildlife. Numerous tidal platforms and creeks will be constructed to improve habitat for native fish and invertebrates. Removal of exotic vegetation will also be necessary in a few areas. The marsh platforms will be created by recontouring the site to appropriate elevations for native Florida vegetation. Transitional and upland communities will also be created, as well as preserving and enhancing an existing freshwater marsh. The design and permitting phases of the project have been completed. The construction phase of the project is in process and is expected to be completed in 2003.

Cooperative Funding

Begun in 1988, the Cooperative Funding program offers a 50/50 cost-share with local governments, associations and individuals for water management projects that support the District's responsibilities of water supply, flood protection, water quality and natural systems.

This program is very successful and has accomplished many worthwhile projects. It has encouraged cooperation among the District and local governments. These governments are now looking at their water needs from a regional perspective and are working with other governments within their basin. Various educational components of these projects have increased the public's understanding of water resources issues. Most importantly, the program has helped maintain quality water resources throughout the west-central region of Florida. In fiscal year 2001, the District Basins funded 201 new and ongoing cooperative funding projects for \$28,332,981. This amount, matched by cooperators, will result in an investment of over \$56 million in cooperatively funded water management projects.

Following are examples of fiscal year 2001 cooperative funding projects:

The City of St. Petersburg Toilet Replacement Program, Phase 5

The City of St. Petersburg Toilet Replacement Program is now in its fifth phase. This phase of the project provides financial incentives to its water customers for the replacement of existing high-volume toilets with 3,350 ultra low-volume models. High-volume toilets use an average of between 3.5-5.0 gallons of water per flush, as opposed to low-volume models which use 1.6 gallons per flush, or less. Throughout the first four phases, 18,104 toilets were replaced at 15,402 locations. Based on a preliminary average water savings of 38 gallons per household per day, a total water savings of 585,276 gallons per day or 213,625,740 gallons per year was realized. Over the 30-year lifetime of a low volume toilet, it is estimated that 6.4 billion gallons of water could potentially be saved.

Pinellas County Power Plant Boiler Feedwater

The Pinellas County Power Plant Boiler Feedwater project will include the design and construction of a low pressure reverse osmosis system. This system will utilize reclaimed water for boiler feedwater at the Pinellas County Resource Recovery Power Plant (RESCO). The power plant currently uses reclaimed water and surface water for the cooling towers, and potable water for the boilers. This project would eliminate the use of 81,000 gallons per day of potable water for the boilers (currently supplied by Pinellas County Utilities and Tampa Bay Water's regional system). The estimated amount of water offset is 81,000 gallons per day or approximately 30 million gallons per year. The cost/benefit calculated at 8 percent interest over 30 years for the amount of water offset by this project is \$2.06/1000 gallons. The installation of the Microfiltration Pre-Treatment system could be completed by early 2002 and savings in potable water should be realized immediately.

Hillsborough County - Lake and Streams Program

The Hillsborough County - Lake and Streams Program is the continuation of the 1997-2001 Lake Management Program. The program maintains 120 Hillsborough County lakes in conjunction with the University of Florida's statewide LAKEWATCH Program. The LAKEWATCH Program, together with Hillsborough Community College and the University of South Florida, monitors lake water quality throughout the state; provides training to citizen volunteers to collect field data and water quality samples; educates lake property owners on lake management techniques and water resources protection; educates stream volunteers on how to collect field data and water quality samples for chemistry and biological evaluation; ensures that all data are entered into the Hillsborough County

Lake Atlas Web site; and expands the existing Hillsborough County Lake Atlas Web site into the Hillsborough County Watershed Atlas.

Hillsborough County - Adopt-A-Pond

The Hillsborough County Adopt-A-Pond Program strives to improve the appearance, water quality and habitat in neighborhood stormwater ponds. The program's goals are to: work with citizen volunteers; reduce neighborhood pollution; increase pond habitat; reduce litter; mark storm drains; increase citizen awareness of stormwater impacts; and improve pond treatment functions. Citizens reach the program by County staff referral and public outreach. The education/ communication portion of the program produces an Adopt-A-Pond brochure and quarterly newsletter; the mailing list is 4,566 citizens. Participants receive an Adopt-A-Pond Notebook, aquatic plant identification material, neighborhood meetings, pond walks, neighborhood signage, waders, aquatic plants, Pond Management Plan Workbook, annual pond seminar, annual awards and county staff support. The program's mascot, Officer Snook, educates elementary school students about water pollution and its effects. A curriculum book assists teachers. The Officer Snook costumed character, role-playing costumes for students, Officer Snook T-shirts, stickers and booklets enhance the experience. Hillsborough County and the District have funded the program since 1995.

New Water Sources Initiative

The New Water Sources Initiative (NWSI) is an alternative sources development program initiated in fiscal year 1994 by the Governing Board in response to groundwater concerns in Water Use Caution Areas. NWSI projects are cooperatively funded from the cooperator (50%), Basin Boards (25%) and the Governing Board (25%). In fiscal year 2001, the Governing Board funded \$11,390,577 for NWSI and the Basin Boards collectively funded \$7,907,526 for a combined District total of \$19,298,103. This amount will be matched by local and private partners resulting in over \$38 million invested for additional alternative water sources. Successful projects funded through this program in fiscal year 2001 include the Manatee Agricultural Reuse Supply, Peace River Option and the Partnership Agreement.

Future Projects – Implementing Sustainable Alternative Water Supplies

Alternative water sources are necessary to maintain the balance between current and future water needs, while maintaining the natural systems that provide our water supply. Steps to sustainability include conservation, reclaimed water, aquifer storage and recovery, surface water storage, desalination and land acquisition. The following are future projects that will provide alternative water supplies for west-central Florida:

Largo/Clearwater/Pasco – ASR/Interconnect

This project was identified as a water supply option in the Regional Water Supply Plan and is expected to provide an estimated 3.0 million gallons per day (mgd) of additional reclaimed water annually. This will offset an estimated 1.8 mgd of potable water use from Tampa Bay Water's Regional System. The project will involve systems in Pasco and Pinellas counties, but may potentially expand into Hillsborough County. The proposed project will interconnect existing reclaimed water systems into one regional reclaimed water system. By interconnecting the systems associated with Pasco County and the cities of Largo and Clearwater, excess reclaimed water during wet weather periods could be better managed. The result is reduced wet weather discharges to coastal surface waters, more effective reclaimed water utilization, and the potential restoration of wetlands in south-central Pasco County. Two sites are expected to be part of the project. One 4.5 mgd site will be at the Clearwater East Waste Water Treatment Plant (WWTP) and the other 4.5 mgd site at the Largo WWTP.

Seawater Desalination 1

This public/private partnership project entails the construction of a 25 mgd (expandable to 35 mgd) seawater desalination plant at Tampa Electric Big Bend Power Plant. The project is being developed under a design, build, own, operate and transfer project development mechanism. Tampa Bay Desal, LLC is the selected developer for the project.

Tampa - South Tampa Area Reclaimed Project (STAR) – Phase II

This project includes the design and construction of approximately 105,600 linear feet (20 miles) of reclaimed water transmission main, a single 2 million gallon ground storage tank, a repumping facility located in the Palma Ceia area, and 332,640 linear feet (63 miles) of distribution pipelines to provide reclaimed water for irrigation. The STAR Project will provide highly treated reclaimed water from the City of Tampa Howard F. Curren Advanced Wastewater Treatment Plant to residential and commercial customers in south Tampa and Westshore who are currently using potable water for irrigation.

Departmental Focus – Land Resources Department

Each year, a department or division within the District is featured in the Comprehensive Annual Financial Report. This year, the Land Resources Department including elements of its 2001 Five Year Land Acquisition Plan is the focus.

“To effectively protect and preserve lands that are essential for water resources and natural systems and to manage those lands in such a way that perpetuates, enhances and restores their natural character and function while providing quality resource-based recreation and responsible multiple uses of the land” is the mission of the Land Resources Department of the Southwest Florida Water Management District. Of primary concern to the District is public awareness of the critical need to protect, conserve and preserve water resources within the State of Florida. To meet various water management needs, the District has acquired approximately 380,000 acres in fee-simple and less-than-fee-interest land in west-central Florida, and is responsible for the management and maintenance of these lands to the extent practicable, in such a way as to ensure a balance between public access, general public recreational purposes, and restoration and protection of their natural state and condition.

Although the primary benefits of the land acquisitions are for water supply, flood protection, water quality, and protection of natural systems, these natural Florida properties also provide opportunities for enriching outdoor recreation and environmental education. Over 90 percent of these lands are available for passive recreational purposes such as day hiking, fishing, canoeing, diving, sailing, nature appreciation, horseback riding, birding, backpack camping or picnicking. However, some of the recreational sites may prohibit activities that include the use of firearms or trapping devices, collecting or removing plants or animals, digging, motorcycles and all-terrain vehicles, fires or dogs. To the maximum extent possible considering the environmental sensitivity and suitability of these lands, they are open to the general public for recreational purposes.

The Florida Preservation 2000 Act states that “governmental agencies responsible for public land acquisition should work together to purchase lands jointly and to coordinate individual purchases within the ecological systems.” The Southwest Florida Water Management District has worked with appropriate government entities to cooperatively or jointly purchase lands. The District also enters into partnerships with the state, through its Conservation and Recreation Lands (CARL) program, as well as the Florida Greenways and Trails Council, the Florida Department of Environmental Protection’s Office of Greenways and Trails, and local greenway groups.

The District’s five areas of responsibility are water supply, flood protection, water quality, natural systems and management support. Within these parameters, the Land Resources Department functions to identify, acquire, manage and protect public lands necessary for effective water management. The following sections handle the various departmental responsibilities:

The *Land Acquisition Section* acquires lands as set forth in the District’s Save Our Rivers/Florida Forever (formerly Preservation 2000) Five-Year Plan. These lands are necessary for flood control, water storage, water management, conservation and protection of water resources, aquifer recharge, water resource and water supply development, and preservation of wetlands, streams and lakes.

Land Acquisition highlights include the acquisition of:

- Weekiwachee Preserve, consisting of 456 acres of land for the Weekiwachee Springs Tract located in Hernando County, cost \$16.5 million;
- Upper Hillsborough project, one tract consisting of 7,062 acres, cost \$5.3 million; and
- Myakka River, in partnership with Sarasota County, consisting of 1,305 acres cost to the District (half) \$3.6 million.

The *Land Management Section* is responsible for the management and protection of the natural and cultural resources on District-owned lands, consistent with the property's primary purpose for acquisition. The major functions of the Land Management Section include prescribed burning, invasive exotic plant and animal management, restoration of altered natural systems, and preservation and protection of the land and water-related resources. The restoration of sand scrub, which supports more endemic wildlife than any other in Florida, is another priority.

Land Management highlights include:

- Conducting over 11,000 acres of prescribed burning;
- Completing two pasture-restoration projects of approximately 400 acres in partnership with Florida Department of Transportation (FDOT);
- Completing Upper Hillsborough/301 FDOT mitigation project - ditch filled and over 110 acres of forested wetland rehydrated; and
- Restoring (mechanical/fire) over 100 acres of degraded sandhill at Serenova tract (Starkey).

The *Land Use/Resource Protection Section* is responsible for the administration of public use of District lands, including public recreation, development and implementation of management plans, volunteer programs, and resource protection. Included in the scope is the preparation of management partnership agreements with other agencies and public-private entities compatible with District statutory directives, Board policy, and approved management plans to ensure the preservation and integrity of the water and land-related resources. The Section works with various recreation groups and volunteers to implement public access and recreation trails, when appropriate, and develop relationships to enhance management of District lands. The Section prepares and updates a recreation guide which covers all District-owned lands available for public use.

Land Use/Resource Protection highlights include:

- Certification of 18 miles of National Scenic trail on District lands;
- Completion of 2001 Public Recreation Guide;
- Development of Partnership Funding Policy and Procedure; and
- Public bid of two cattle grazing leases totaling approximately 6,800 acres.

The *Survey Section* provides land surveying assistance to the District in support of various projects and programs located within the District, and information to outside surveying firms. The projects include such activities as land acquisition, lake level studies, construction activities and mapping.

Survey highlights for fiscal year 2001 include:

- Providing survey support and surveys for the acquisition of 3,309 acres within the District;
- Providing survey support for seven regulatory projects;
- Providing survey support and surveys for six Surface Water Improvement and Management (SWIM) projects; and
- Providing survey support for the establishment of Minimum Flows and Levels (MFLs) on three riverine systems, 24 lakes and four areas impacted by well fields.

Awards and Acknowledgements

The District employs over 735 people. Brooksville is headquarters with four other service offices (Bartow, Lecanto, Sarasota and Tampa). Among these employees are scientists, engineers,

hydrologists, geologists, executives, project managers, planners, system administrators and other professionals. It is the hard work and dedication of every person within these departments that makes the District a leader in protecting and preserving Florida's water resources.

Every year the District receives various awards for projects that District staff have coordinated and managed. The following awards reflect some of the recognition the District, or District-supported projects, received during fiscal year 2001:

Tampa Area Safety Council (TASC) Safety Contests. For calendar year 2000, the District participated in the TASC and Fleet Safety Contest. Each District location (Bartow, Brooksville, Tampa and Venice) was entered as a separate contestant. Other contestants were major businesses in the Tampa Bay area. The District's Venice office tied for first place in the Occupational Safety Contest for the low number of injuries for which an employee was out of work for more than eight days based on total hours of work. The District's Venice and Bartow offices tied in first place in the Fleet Safety Contest for the low number of accidents that included any property damage or bodily injury based on total miles driven.

The *Hillsborough County Board of County Commissioners* awarded a commendation to *Eric DeHaven*, Water Quality Monitoring Program Manager, and *Rand Baldwin*, Community Affairs Coordinator, for their role on the Lake Grady Task Force. The task force solved the issue of groundwater contamination due to a sinkhole that opened beneath Lake Grady in central Hillsborough County.

The League of Environmental Educators (LEEF) awarded its most prestigious award to the District's Communications and Community Affairs Department for quality and statewide impact of education materials and programs, as well as for supporting other environmental education programs.

The International Association of Business Communicators (IABC) presented the District with four 2000 Bronze Quill awards at its annual awards banquet in April.

- The *Watershed Excursion* Educational Newspaper Tabloid received an Award of Excellence, IABC's highest award.
- *Water Management Monthly* received an Award of Merit.
- The *Hillsborough River Watershed Virtual Excursion* received an Honorable Mention.
- "*Breaking New Ground*," a speech delivered by former Governing Board Chair Ron Johnson, received an Honorable Mention.

The *Tampa Bay Regional Planning Council* honored several District public and in-school education programs through the council's Ninth Annual Future of the Region Awards Competition. The District's Communications and Community Affairs Department received the following awards in the competition:
Second Place

- *Splash! Water Resources Education Packet.* A colorful, multi-disciplinary packet containing fact and activity sheets on wetlands, the hydrologic cycle, desalination, water use, water conservation, community planning and water management for middle school use. Approximately 600 copies are distributed to teachers each year, with the potential to reach 6,000 students.

Four Honorable Mentions:

- *Postcards from Florida.* A packet of six postcards with natural water resources photos from around the District. The packet includes a self-addressed, bulk mail survey to gather information from residents and visitors alike about what role they think water plays in Florida.
- *Xeriscape™ University.* A hands-on workshop that educates people on proper landscape techniques to maximize water conservation while enhancing water quality. The demand for the program continues to exceed the class sizes.
- *WaterDrops Newsletter.* A water resources newsletter that targets grades 3-5. The newsletter contains fiction, nonfiction, a question-and-answer column, fun activities and suggestions for browsing the Web.

- *Water Education Week Sustainability*. A 16-page educational booklet with teacher's guide focusing on a sustainable water supply. The materials are designed for grades 4-7.

The Pacific Tomato Growers, Ltd. (PTG) was awarded the *2000 Commissioner's Agricultural-Environmental Leadership Award* by Florida Agriculture Commissioner Bob Crawford for its environmental efforts and ongoing partnership with the District to reduce excess water in Flatford Swamp.

Florida Nurserymen and Growers Association awarded *Lois Sorensen* the 2001 Friend of the Industry Award to recognize an individual outside the industry whose efforts advance the education and professional goals of the industry.

The *American Water Works Association (AWWA)* is an international nonprofit scientific and educational society dedicated to the improvement of drinking water quality and supply. The AWWA is the largest organization of water supply professionals in the world with more than 50,000 members. The following awards were won through AWWA in fiscal year 2001.

Individuals

- *Kathy Foley* for Dedicated Service & Leadership to the Florida Water Wise Council.

District Works

- *Reclaimed Water Guide* – 1st Place FS/AWWA Conservation Awards for Public Education for Water Management Districts.
- *Reclaimed Water Guide* – 1st Place for Non-offset Technical Documents, International Publishing Management Association.

Cooperative Projects

- *Pinellas County Shallow Wells Pilot Project*, 1st Place – FS/AWWA Conservation Awards for Large Public Utility.
- *Florida Water Services Plumbing Retrofit Project* – 1st Place FS/AWWA Conservation Awards for Private Utility.
- *Sarasota County Toilet Rebate Program* – 1st Place FS/AWWA Conservation Awards for Medium-sized Utility.

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 Department, especially the Accounting & Financial Reporting Section. Special recognition is due the Visual Communications Section for the graphic design of the cover and tabs and for assisting with the editing of the report, and to the General Services Administrative Services Section for printing the report. In closing, this report would not have been possible without the support and leadership of the Executive staff, the District Governing Board, the District's Basin Boards, and District staff.

Sincerely,



Daryl F. Pokrana
Finance Director

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, 2000

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.



Imelda Gruwe

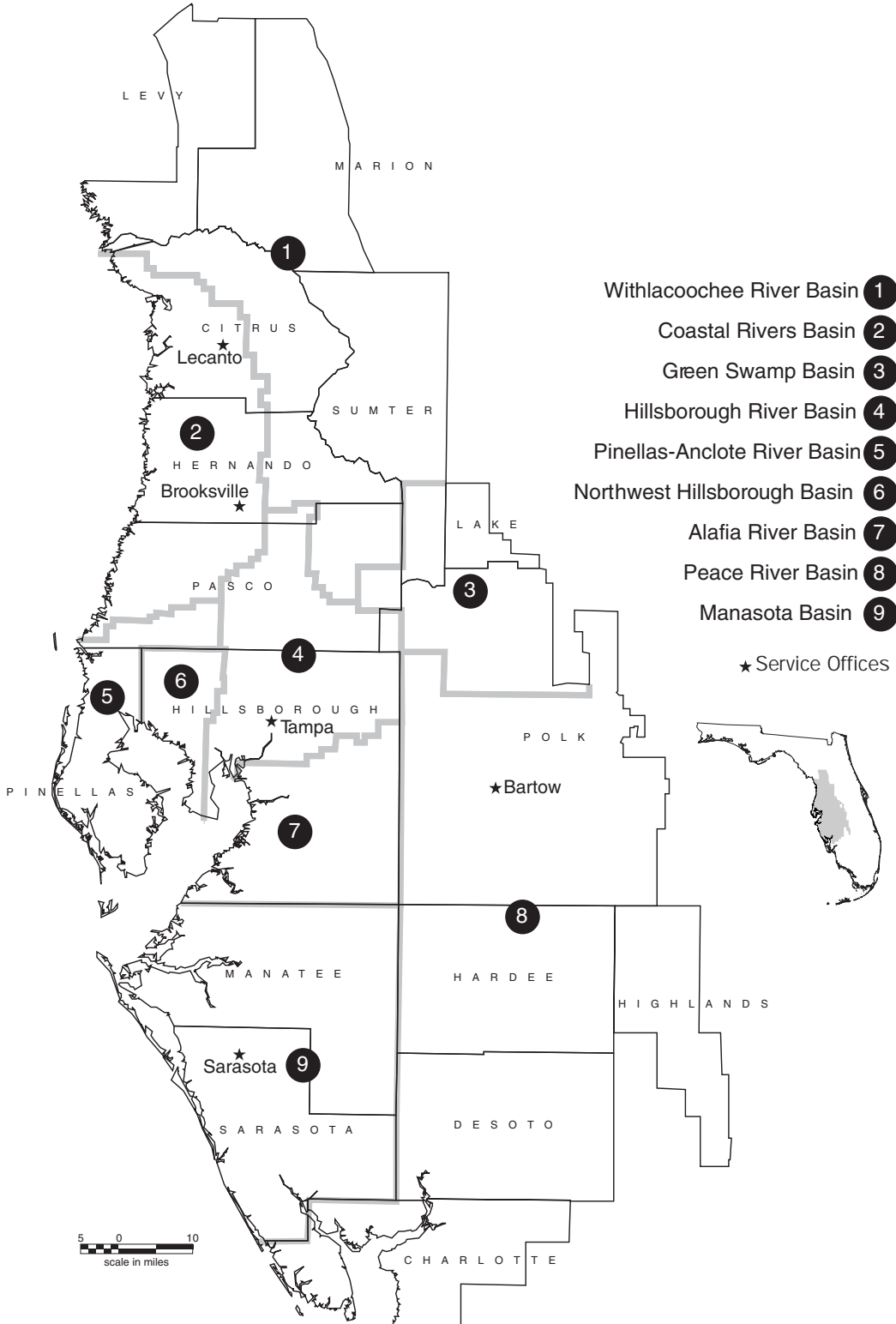
President

Jeffrey L. Esser

Executive Director

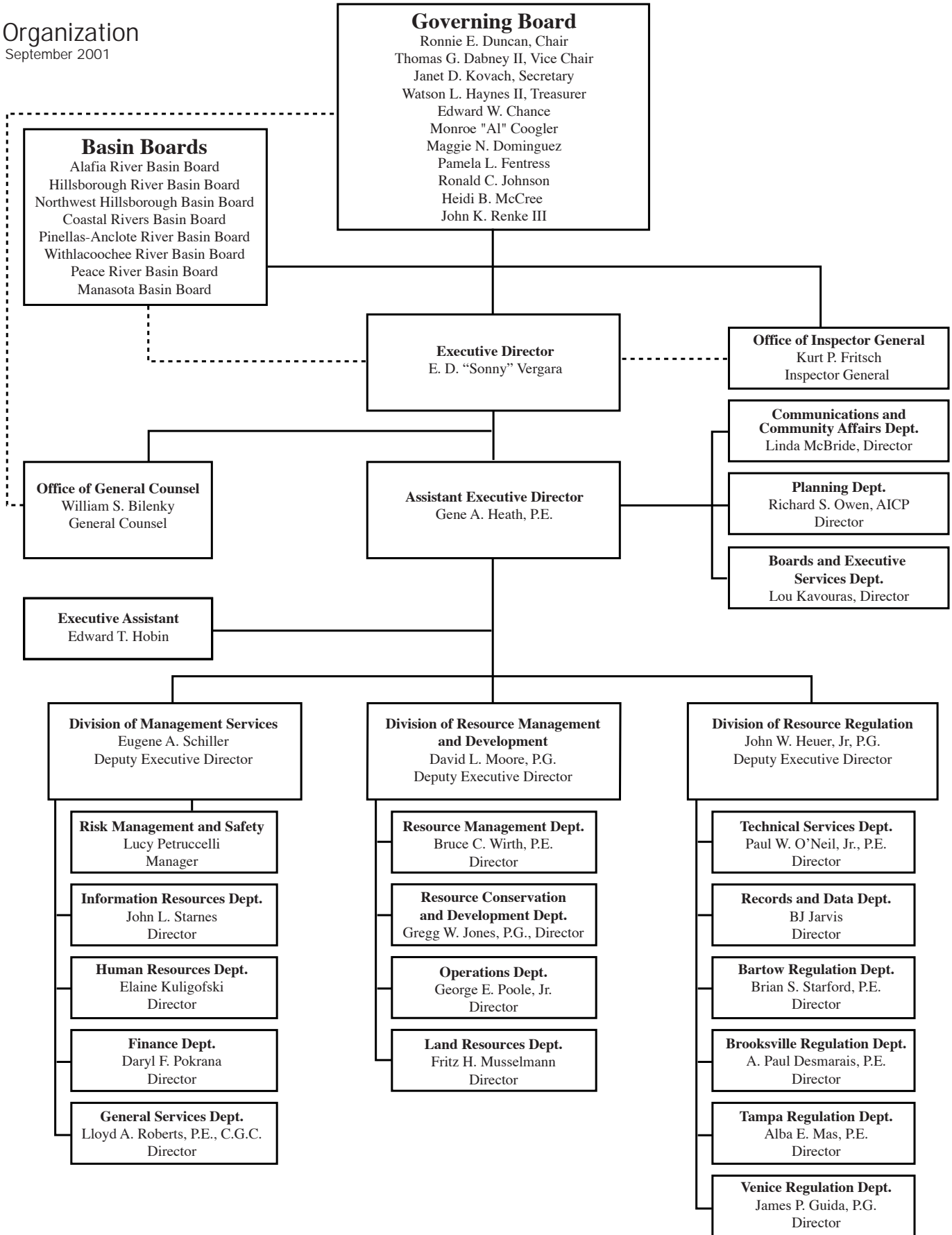
Southwest Florida Water Management District

Service Offices and Basin Map



Organization

September 2001



**SOUTHWEST FLORIDA
WATER MANAGEMENT DISTRICT**

**Management Services Division
Deputy Executive Director
Eugene A. Schiller**

FINANCE DEPARTMENT

Department Director

Daryl Pokrana

Assistant Director

Linda Pilcher

Section Managers

Accounting & Financial ReportingMelisa Lowe
Contracts Administration..... Steven Long
Financial SystemsNoel Pioszak
PurchasingMalcolm Wilson

Accounting & Financial Reporting Staff

Accounting

Janet Thompson, Supervisor
Donna Farrell
Sonja Grant
Kerri Meadors
Tammy Nieves

Financial Compliance

Patrick Sevon, Supervisor
Karen Frazier
Jan Smith
Melissa Williams

Accounts Payable

Jose Fortis, Supervisor
Ellen Cuarta
Mary Hrivnak
Ann Kenny
Judy Misener
Shelia Roush
Sanita Savarese

Property Administration

Avery Bailey, Administrator
Cindy Harris

Administrative Supervisor

Spring Aikens

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Financial Section

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

Independent Auditors' Report

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

We have audited the accompanying basic financial statements of the Southwest Florida Water Management District, a component unit of the State of Florida, as of and for the year ended September 30, 2001, as listed in the table of contents. These basic financial statements are the responsibility of the Southwest Florida Water Management District's management. Our responsibility is to express an opinion on these basic 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Southwest Florida Water Management District, as of September 30, 2001, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note I.B to the basic financial statements, the Southwest Florida Water Management District adopted the provisions of Governmental Accounting Standards Board Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, Statement No. 37, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments – Omnibus*, and Statement No. 38, *Certain Financial Statement Note Disclosures*, effective October 1, 2000.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 28, 2001, on our consideration of the Southwest Florida Water Management District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the Southwest Florida Water Management District taken as a whole. 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 Chapter 10.550, *Rules of the Auditor General*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The information included in the other supplemental information and statistical section listed in the accompanying table of contents is not a required part of the basic financial statements of the Southwest Florida Water Management District. Accordingly, we did not audit this information and express no opinion on it.

KPMG LLP

December 28, 2001

Management's Discussion and Analysis

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, 2001. 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

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$722.1 million. Of this amount, \$155.8 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 1) liquidate contracts and purchase orders of the prior period in the amount of \$129.7 million and 2) pay claims associated with the District's Workers' Compensation Self-insurance Program estimated at \$458,000 based on an independent actuarial determination. The remaining net assets are earmarked for the New Water Sources Initiative (NWSI) projects, future water supply and resource development, and balance forward for future years.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$246.4 million, an increase of \$24.7 million in comparison with the prior year. Of this total amount, \$29.3 million is available for spending at the District's discretion and has been earmarked as noted above.
- The District has no 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 fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains one general fund, ten special revenue funds and three capital projects funds, all of which are considered to be major funds. Information is presented separately for each of these in the governmental fund balance sheet and in the governmental fund 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 excluding the District's capital projects 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 47 through 49 of this report, as other supplemental information.

The basic governmental fund financial statements can be found on pages 15 through 28 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 29 through 45 of this report.

Government-wide Financial Analysis

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 \$722.1 million.

Southwest Florida Water Management District's Net Assets At September 30, 2001*

Current and other assets	\$275,831,875
Capital assets	<u>479,314,226</u>
Total assets	<u>755,146,101</u>
Current and other liabilities	28,558,428
Long-term liabilities outstanding	<u>4,517,939</u>
Total liabilities	<u>33,076,367</u>
Net assets:	
Invested in capital assets	479,314,226
Restricted	86,963,804
Unrestricted	<u>155,791,704</u>
Total net assets	<u>\$722,069,734</u>

*In future years, when prior-year information is available, a comparative analysis of government-wide data will be presented.

By far the largest portion of the District's net assets in the amount of \$479.3 million (66 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, infrastructure). The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Restricted net assets in the amount of \$87 million (12 percent) represents resources that are subject to external restrictions on how they may be used.

Unrestricted net assets in the amount of \$155.8 million (22 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 1) liquidate contracts and purchase orders of the prior period in the amount of \$129.7 million and 2) to pay claims associated with the District's Workers' Compensation Self-insurance Program estimated at \$458,000 based on an independent actuarial determination. The remaining funds are earmarked for the New Water Sources Initiative (NWSI) projects, future water supply and resource development, and balance forward for future years.

At September 30, 2001, the District is able to report positive balances in all three categories of net assets.

Governmental activities. Governmental activities increased the District's net assets by \$70.4 million. Changes in key elements of this increase are as follows:

**Southwest Florida Water Management District's Changes in Net Assets
At September 30, 2001***

Revenues:	
Program revenues:	
Charges for services	\$ 3,615,280
Operating grants and contributions	9,098,570
Capital grants and contributions	42,923,480
General revenues:	
Property taxes	107,401,383
Unrestricted investment earnings	15,206,819
Other	<u>334,282</u>
Total revenues	<u>178,579,814</u>
Expenses:	
Water Resources Planning & Monitoring	13,496,490
Acquisition, Restoration & Public Works	45,214,951
Operation & Maintenance of Lands & Works	13,014,948
Regulation	11,735,276
Outreach	2,890,486
Management and Administration	<u>21,823,485</u>
Total expenses	<u>108,175,636</u>
Change in net assets	70,404,178
Net assets – September 30, 2000	<u>651,665,556</u>
Net assets – September 30, 2001	<u>\$722,069,734</u>

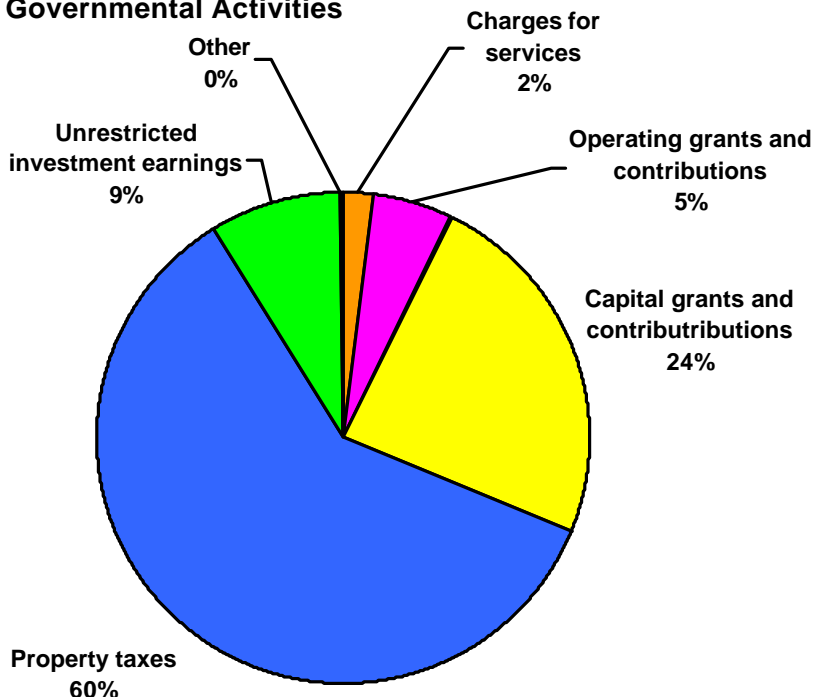
*In future years, when prior-year information is available, a comparative analysis of government-wide data will be presented.

Property taxes are the District's primary source of revenue. For fiscal year 2001, property taxes were \$107.4 million, an increase from \$99.6 million in prior year. The Districtwide millage rate and seven of the eight Basin millage rates remained at the same levels as fiscal year 2000, with the Pinellas-Anclote River Basin decreasing its millage from .401 to .400. The increase in property tax revenues is due to higher property valuations resulting from resales, reassessments, and new construction throughout the District.

Capital grants and contributions totaled \$42.9 million for fiscal year 2001. The Florida Department of Environmental Protection provided the majority of this revenue from the Florida Preservation 2000 Trust Fund for land acquisition.

Unrestricted investment earnings totaled \$15.2 million for fiscal year 2001. The District earned its investment revenues by placing idle cash in the Florida Local Government Funds Surplus Trust Fund, in a money market account that invests in U.S. Treasury Securities, and in U.S. government securities.

Revenues by Source - Governmental Activities



Expenses for Water Resources Planning and Monitoring totaled \$13.5 million for fiscal year 2001. These expenses represent the District's continued commitment to water management planning and the implementation of programs to enhance and preserve water resources.

Expenses for Acquisition, Restoration and Public Works totaled \$45.2 million for fiscal year 2001. These expenses include costs associated with water resource protection, restoration of lands and water bodies, water resource development projects, and water supply development assistance.

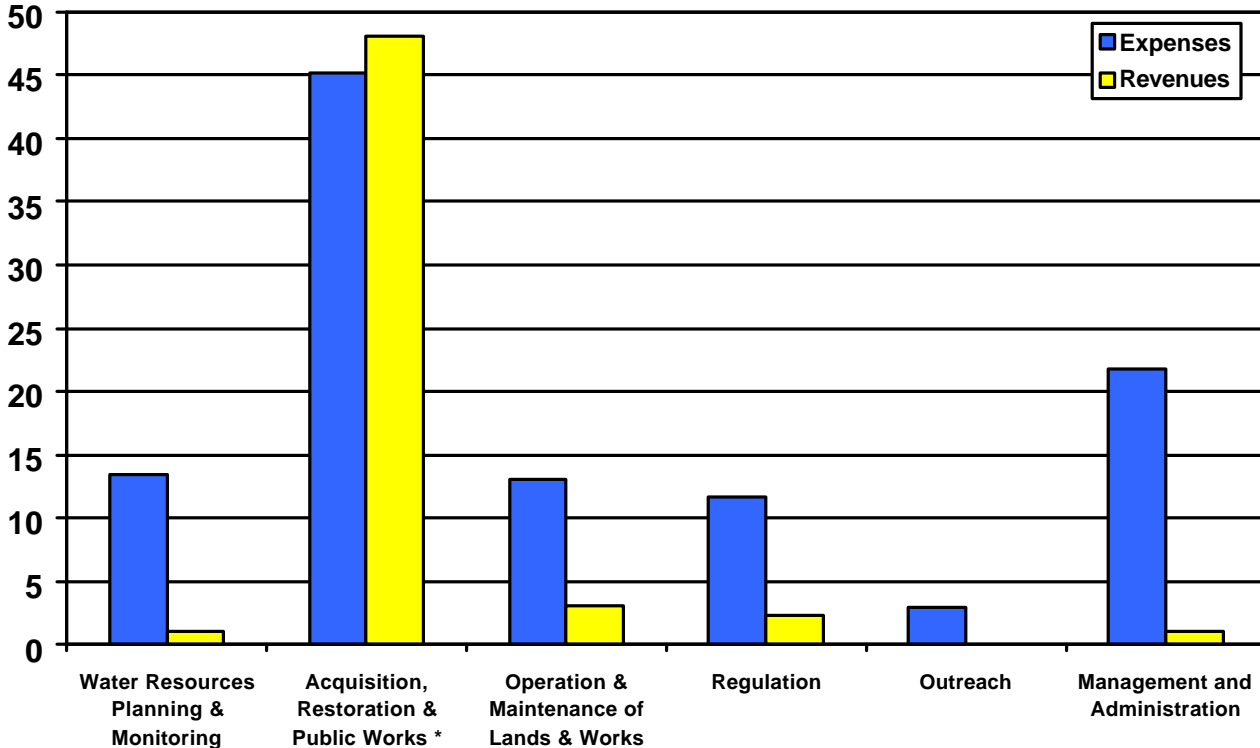
Expenses for Operation and Maintenance of Lands and Works totaled \$13 million for fiscal year 2001. These expenses include costs associated with all operation and maintenance of District facilities, structures and lands.

Expenses for Regulation totaled \$11.7 million for fiscal year 2001. These expenses include costs associated with the District's permit administration and enforcement responsibilities.

Expenses for Outreach totaled \$2.9 million for fiscal year 2001 and includes all environmental education activities such as water conservation campaigns and water resource education including in-school education programs, all public information activities and all lobbying activities.

Expenses for Management and Administration totaled \$21.8 million for fiscal year 2001 and includes expenses associated with all Governing and Basin Board support; executive support; management information systems; commissions to tax collectors; and general counsel, ombudsman, and other administrative functions.

Expenses and Program Revenues - Governmental Activities



* Program revenues include reimbursements for land acquisition costs totaling approximately \$42.7 million in fiscal year 2001 that have been capitalized and are therefore not considered expenses of this program.

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, unreserved 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, 2001, the District's governmental funds reported combined ending fund balances of \$246.4 million, an increase of \$24.7 million in comparison with the prior year. Unreserved fund balance totals \$29.3 million. This total includes deficit undesignated fund balances totaling \$36.2 million in the SWIM Program and Save Our Rivers funds (see Note III.B). These deficits result from contractual obligations (encumbrances) at year end that are not eligible for reimbursement until expenditures are incurred against them, thus creating deficit undesignated fund balances at September 30. Without the deficit undesignated fund balances, the combined unreserved fund balance was \$65.5 million which is available for spending at the District's discretion. Of this amount, the Governing Board has designated \$55.8 million for various purposes including the New Water Sources Initiative, water supply and resource development reserves, and as balance forward to fund the fiscal year 2002 budget. Reserved fund balance totals \$217.2 million and is reserved to indicate that it is not available for new spending because it has already been committed to 1) liquidate \$216.7 million in contracts and purchase orders of the prior period and 2) pay an estimated \$458,000 in claims associated with the District's Workers' Compensation Self-insurance Program.

The general fund is the chief operating fund of the District. At the end of the current fiscal year, unreserved fund balance of the general fund was \$31.1 million, while total fund balance was \$46.5 million. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures, which amounted to \$62.2 million. Unreserved fund balance represents 50 percent of total general fund expenditures, while total fund balance represents 75 percent of that same amount.

Special revenue funds are used to account for specific revenue sources or expenditures. The District's ten special revenue funds include the following funds: Alafia River Basin, Hillsborough River Basin, Northwest Hillsborough Basin, Coastal Rivers Basin, Pinellas-Anclote River Basin, Withlacoochee River Basin, Peace River Basin, Manasota Basin, SWIM Program, and Partnership Trust. Total fund balances of all special revenue funds totaled \$199,052,817 at September 30, 2001, an increase of \$21,339,989 over the prior year. The largest increase of \$11.2 million in the Partnership Trust Fund is due to the District's annual commitment (\$16.6 million) to the Partnership Agreement as discussed in Note V.C. These funds are held in a trustee capacity until the grantee meets the eligibility requirements of the agreement, at which time funds are disbursed in accordance with the terms of the trust agreement. In addition, the Pinellas-Anclote River Basin Fund fund balance increased \$6.8 million attributable primarily to expenditures fluctuating from year to year due to projects crossing multiple years.

The District's three capital projects funds include the Save Our Rivers Fund, the Lower Hillsborough Wilderness Park Fund and the Facilities Fund. Expenditures for the year ended September 30, 2001, totaled \$46,320,053, an increase of \$17,035,556 over the prior year. The majority of the increase is due to an approximate \$15 million increase in land acquisition costs.

General Fund Budgetary Highlights

During fiscal year 2001, the District's general fund budget was not amended. Variances between the revenues that were budgeted and the actual amounts collected are not significant. Variances between the programmatic expenditure budgets and actual expenditures resulted in significant variances in two of the programmatic areas. Acquisition, Restoration and Public Works had an expenditure budget in the amount of \$27.5 million with actual expenditures totaling \$11 million, thus creating a variance of \$16.5 million. The majority of the variance (\$9.6 million) is due to New Water Sources Initiative projects that have been initiated, but expenditures not incurred by year end. In addition, \$4.2 million have been reserved for future mitigation projects (\$2.1 million) and future water supply and resource development projects (\$2.1 million). District Management and Administration had an expenditure budget in the amount of \$31.1 million with actual expenditures totaling \$22.6 million, thus creating a variance of \$8.5 million.

The majority of the variance is a result of the following:

- Budgeted contingency funds in the amount of \$3.3 million were not required during the year;
- Information resources expenditures were less than anticipated by \$2 million due to the timing of major hardware and software expenditures;
- Legal expenditures were \$1.4 million less than budgeted due to less than anticipated litigation filed against the District; and
- Commission expenditures were less than anticipated by \$669,000 due primarily to the return of excess commissions in the amount of \$514,000.

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

Capital Assets

The District's investment in capital assets at September 30, 2001, amounts to \$479.3 million (net of accumulated depreciation). This investment in capital assets includes land, land interests, building, machinery and equipment, infrastructure, construction-in-progress and other capital assets.

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

- Land acquisition costs (not including ancillary costs) funded by the Florida Preservation 2000 Trust Fund totaled \$41.4 million. The following is a list of some of the on-going land acquisition projects where individual or multiple parcels of land were acquired during fiscal year 2001:

Weeki Wachee Preserve project \$23.9 million
Upper Hillsborough project \$5.3 million
Lake Hancock project \$3.7 million
Myakka River project \$3.6 million
Alafia River Corridor project \$2.3 million

- The District's new Sarasota service office was substantially completed by year end and construction-in-progress at the end of the current fiscal year was \$2.6 million.

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

Land	\$346,797,857
Land Interests	25,316,742
Buildings	18,031,807
Machinery and Equipment	4,800,764
Infrastructure	71,334,527
Construction in Progress	13,019,001
Other Capital Assets	13,528
Total Assets	<u>\$479,314,226</u>

*In future years, when prior-year information is available, a comparative analysis of government-wide data will be presented.

Additional information on the District's capital assets can be found in Notes I.F.4 and IV.E.

Economic Factors and Next Year's Budgets and Rates

The District's primary source of funding is ad valorem taxes. Property tax values within the District increased by 10.45 percent in 2001 due to property resales, reassessments and new construction. The property tax levy for fiscal year 2002 is based on the tax roll for 2001. The Districtwide millage rate and seven of the eight Basin millage rates were held at the fiscal year 2001 levels and the Withlacoochee River Basin Board decreased its millage rate from 0.298 to 0.295 for fiscal year 2002.

The current economic recession and the declining interest rates have negatively effected District investment earnings. The District received a 5.3 percent yield on its investments during fiscal year 2001. The fiscal year 2002 budget was based on an expected yield of 4.75 percent. This projection has now been reduced to three percent. Anticipated revenue shortfalls will be more than offset by unanticipated revenue and reductions in expenditures during fiscal year 2002.

During the current fiscal year, the unreserved fund balance in the general fund increased to \$31.1 million. The Governing Board has designated \$19.2 million for the New Water Sources Initiative

and water supply and resource development reserves, \$4.2 million as balance forward to fund the fiscal year 2002 budget, and \$0.8 million for the self-funded workers' compensation program. The remaining \$6.9 million is available to offset ad valorem requirements as balance forward in future years.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information should be addressed to the Office of the Finance Director, Southwest Florida Water Management District, 2379 Broad Street, Brooksville, Florida, 34604-6899.

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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 resources 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, 2001**

ASSETS	<u>Governmental Activities</u>
Cash and Investments	\$ 171,089,729
Receivables	7,517,032
Deposits	30,270
Inventories	149,264
Other Assets	262,793
Temporarily restricted assets:	
Cash and Investments	96,782,787
Capital Assets (net of accumulated depreciation)	
Land	346,797,857
Land Interests	25,316,742
Buildings	18,031,807
Machinery and Equipment	4,800,764
Infrastructure	71,334,527
Construction in Progress	13,019,001
Other Capital Assets	13,528
Total Assets	<u>755,146,101</u>
 LIABILITIES	
Accounts and Contracts Payable	14,402,667
Payroll and Related Costs	895,434
Contracts Payable-Retainage	666,459
Due To Other Governments	163,953
Deferred Revenue	7,405,221
Liabilities Payable From Restricted Assets	5,024,694
Noncurrent Liabilities:	
Due Within One Year	625,106
Due in More Than One Year	3,892,833
Total Liabilities	<u>33,076,367</u>
 NET ASSETS	
Invested in Capital Assets	479,314,226
Restricted	86,963,804
Unrestricted (Page 43, Note V.C)	155,791,704
Total Net Assets	<u>\$ 722,069,734</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, 2001**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
Primary government:		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental Activities:					
Water Resources Planning & Monitoring	\$ 13,496,490	\$ 52,272	\$ 1,054,903	\$ -	\$ (12,389,315)
Acquisition, Restoration & Public Works	45,214,951	-	5,205,633	42,923,480	2,914,162
Operation & Maintenance of Lands & Works	13,014,948	341,339	2,710,034	-	(9,963,575)
Regulation	11,735,276	2,170,210	128,000	-	(9,437,066)
Outreach	2,890,486	-	-	-	(2,890,486)
Management and Administration	21,823,485	1,051,459	-	-	(20,772,026)
Total governmental activities	\$ 108,175,636	\$ 3,615,280	\$ 9,098,570	\$ 42,923,480	(52,538,306)
General Revenues:					
Ad Valorem Taxes					107,401,383
Unrestricted investment earnings					15,206,819
Gain on sale of capital assets					18,601
Miscellaneous					315,681
Total general revenues					122,942,484
Change in net assets					70,404,178
Net assets - beginning					651,665,556
Net assets - ending					\$ 722,069,734

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

**Southwest Florida Water Management District
Balance Sheet
Governmental Funds
September 30, 2001**

	<u>General</u>	<u>Alafia River Basin</u>	<u>Hillsborough River Basin</u>	<u>Northwest Hillsborough Basin</u>	<u>Coastal Rivers Basin</u>	<u>Pinellas- Anclote River Basin</u>	<u>Withlacoochee River Basin</u>	<u>Peace River Basin</u>	<u>Manasota Basin</u>	<u>SWIM Program</u>	<u>Partnership Trust</u>	<u>Save Our Rivers</u>	<u>Facilities</u>	<u>Total Governmental Funds</u>
ASSETS														
Cash and Investments	\$ 48,020,509	\$ 3,794,937	\$ 8,247,579	\$ 7,403,134	\$ 5,645,805	\$ 53,994,876	\$ 9,521,003	\$ 15,507,273	\$ 20,427,489	\$ 1,529,676	\$ 91,782,787	\$ -	\$ 1,997,448	\$ 267,872,516
Due From Other Governments	1,618,552	2,635	138,254	6,124	255,268	88,278	514,004	70,509	307,632	1,610,419	-	1,190,605	-	5,802,280
Due From Other Funds	40,754	150,320	63,028	8,760	8,532	145,589	25,929	35,100	59,285	-	-	-	-	537,297
Interest Receivable	225,096	15,550	35,921	28,655	21,593	200,991	14,667	53,779	77,205	5,568	205,711	-	-	884,736
Deposits	30,270	-	-	-	-	-	-	-	-	-	-	-	-	30,270
Inventories	143,937	-	-	-	-	-	-	5,327	-	-	-	-	-	149,264
Other Assets	98,589	-	-	-	-	-	485	-	-	-	-	163,719	-	262,793
Total Assets	50,177,707	3,963,442	8,484,782	7,446,673	5,931,198	54,429,734	10,076,088	15,671,988	20,871,611	3,145,663	91,988,498	1,354,324	1,997,448	275,539,156
LIABILITIES AND FUND BALANCES														
Liabilities														
Accounts and Contracts Payable	2,703,897	446,794	1,329,234	893,963	326,987	4,574,165	749,989	846,485	1,235,098	1,224,188	5,024,694	21,986	49,881	19,427,361
Payroll and Related Costs	822,291	2,430	12,027	1,858	6,122	7,475	8,422	17,040	6,532	11,237	-	-	-	895,434
Contracts Payable-Retainage	75,823	3,996	78,932	1,698	-	16,934	34,530	23,120	52,351	140,895	-	-	238,180	666,459
Due To Other Governments	104,342	-	59,611	-	-	-	-	-	-	-	-	-	-	163,953
Due To Other Funds	-	-	-	-	-	-	-	-	-	500,000	-	37,297	-	537,297
Deferred Revenue	50	-	-	-	50,000	-	5,044,220	-	-	225,833	-	2,085,118	-	7,405,221
Total Liabilities	3,706,403	453,220	1,479,804	897,519	383,109	4,598,574	5,837,161	886,645	1,293,981	2,102,153	5,024,694	2,144,401	288,061	29,095,725
FUND BALANCES:														
Reserved for Encumbrances	14,879,050	1,856,885	4,713,161	2,857,301	3,910,613	35,379,796	2,169,390	11,456,897	15,473,636	9,571,623	86,963,804	26,922,511	541,879	216,696,546
Reserved for Workers' Compensation Claims	458,000	-	-	-	-	-	-	-	-	-	-	-	-	458,000
Unreserved:														
Designated for Future Projects	9,208,146	517,411	566,623	2,078,218	306,513	5,425,745	1,663,588	1,096,468	1,369,990	-	-	-	713,886	22,946,588
Designated for Subsequent Year's Expenditures	4,249,879	1,081,492	1,658,719	1,185,609	1,187,520	7,774,896	405,949	1,851,296	2,314,223	-	-	-	447,000	22,156,583
Designated for Workers' Compensation Self-Insurance Program	780,981	-	-	-	-	-	-	-	-	-	-	-	-	780,981
Designated for NWSI/Partnership Reserve	10,000,000	-	-	-	-	-	-	-	-	-	-	-	-	10,000,000
Undesignated	6,895,248	54,434	66,475	428,026	143,443	1,250,723	-	380,682	419,781	(8,528,113)	-	(27,712,588)	6,622	(26,595,267)
Total Fund Balances	46,471,304	3,510,222	7,004,978	6,549,154	5,548,089	49,831,160	4,238,927	14,785,343	19,577,630	1,043,510	86,963,804	(790,077)	1,709,387	246,443,431
Total Liabilities and Fund Balances	\$ 50,177,707	\$ 3,963,442	\$ 8,484,782	\$ 7,446,673	\$ 5,931,198	\$ 54,429,734	\$ 10,076,088	\$ 15,671,988	\$ 20,871,611	\$ 3,145,663	\$ 91,988,498	\$ 1,354,324	\$ 1,997,448	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 479,314,226

Delinquent taxes are not available to pay for current period expenditures and, therefore, are not reported in the funds. 830,016

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. (4,517,939)

Net assets of governmental activities **\$ 722,069,734**

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, 2001

	<u>General</u>	<u>Alafia River Basin</u>	<u>Hillsborough River Basin</u>	<u>Northwest Hillsborough Basin</u>	<u>Coastal Rivers Basin</u>	<u>Pinellas- Anclote River Basin</u>	<u>Withlacoochee River Basin</u>	<u>Peace River Basin</u>	<u>Manasota Basin</u>	<u>SWIM Program</u>	<u>Partnership Trust</u>	<u>Save Our Rivers</u>	<u>Lower Hillsborough Wilderness Park</u>	<u>Facilities</u>	<u>Total Governmental Funds</u>
REVENUES															
Ad Valorem Taxes	\$ 65,161,463	\$ 1,797,473	\$ 5,341,977	\$ 3,482,779	\$ 2,600,589	\$ 15,801,596	\$ 2,105,648	\$ 4,678,499	\$ 5,651,854	\$ -	\$ -	\$ -	\$ -	\$ 1,250,000	\$ 107,871,878
Intergovernmental Revenues	2,669,974	4,440	384,509	868	416,672	166,181	1,478,865	264,036	587,307	3,341,683	-	42,689,125	18,390	-	52,022,050
Interest on Invested Funds	3,942,608	244,790	602,416	456,167	348,281	3,281,337	261,049	954,930	1,297,471	72,877	3,744,893	-	-	-	15,206,819
License and Permit Fees	2,170,210	-	-	-	-	-	-	-	-	-	-	-	-	-	2,170,210
Other	1,728,266	3,916	12,703	7,141	6,963	16,367	6,963	16,333	22,123	622	-	3,675	-	-	1,825,072
Total Revenues	<u>75,672,521</u>	<u>2,050,619</u>	<u>6,341,605</u>	<u>3,946,955</u>	<u>3,372,505</u>	<u>19,265,481</u>	<u>3,852,525</u>	<u>5,913,798</u>	<u>7,558,755</u>	<u>3,415,182</u>	<u>3,744,893</u>	<u>42,692,800</u>	<u>18,390</u>	<u>1,250,000</u>	<u>179,096,029</u>
EXPENDITURES															
Current:															
Water Resources Planning and Monitoring	8,808,975	125,368	820,910	123,220	630,988	495,445	553,126	595,548	831,507	516,030	-	-	-	-	13,501,117
Acquisition, Restoration and Public Works	11,007,255	624,087	2,175,126	1,167,883	852,459	8,310,101	1,872,045	3,631,484	5,839,783	4,117,037	5,024,694	42,711,424	18,390	3,560,265	90,912,033
Operations and Maintenance of Lands and Works	7,056,046	168,011	1,340,595	159,688	460,164	347,887	1,158,628	434,732	379,748	-	-	29,974	-	-	11,535,473
Regulation	11,603,061	-	-	-	-	-	-	52,720	5,780	-	-	-	-	-	11,661,561
Outreach - Public Education	1,083,708	82,158	249,245	162,055	142,023	754,344	87,001	182,240	132,607	14,865	-	-	-	-	2,890,246
District Management and Administration	22,611,908	57,325	215,793	98,298	93,507	412,208	109,505	207,521	138,207	-	-	-	-	-	23,944,272
Total Expenditures	<u>62,170,953</u>	<u>1,056,949</u>	<u>4,801,669</u>	<u>1,711,144</u>	<u>2,179,141</u>	<u>10,319,985</u>	<u>3,780,305</u>	<u>5,104,245</u>	<u>7,327,632</u>	<u>4,647,932</u>	<u>5,024,694</u>	<u>42,741,398</u>	<u>18,390</u>	<u>3,560,265</u>	<u>154,444,702</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>13,501,568</u>	<u>993,670</u>	<u>1,539,936</u>	<u>2,235,811</u>	<u>1,193,364</u>	<u>8,945,496</u>	<u>72,220</u>	<u>809,553</u>	<u>231,123</u>	<u>(1,232,750)</u>	<u>(1,279,801)</u>	<u>(48,598)</u>	<u>-</u>	<u>(2,310,265)</u>	<u>24,651,327</u>
OTHER FINANCING SOURCES (USES)															
Transfers In	-	-	-	-	-	-	-	-	-	1,321,555	12,521,184	-	-	383,024	14,225,763
Transfers Out	(8,214,391)	(1,037,074)	(1,774,969)	(586,715)	(65,917)	(2,161,657)	(98,209)	(118,324)	(168,507)	-	-	-	-	-	(14,225,763)
Total Other Financing Sources and Uses	<u>(8,214,391)</u>	<u>(1,037,074)</u>	<u>(1,774,969)</u>	<u>(586,715)</u>	<u>(65,917)</u>	<u>(2,161,657)</u>	<u>(98,209)</u>	<u>(118,324)</u>	<u>(168,507)</u>	<u>1,321,555</u>	<u>12,521,184</u>	<u>-</u>	<u>-</u>	<u>383,024</u>	<u>-</u>
Net Change In Fund Balances	5,287,177	(43,404)	(235,033)	1,649,096	1,127,447	6,783,839	(25,989)	691,229	62,616	88,805	11,241,383	(48,598)	-	(1,927,241)	24,651,327
Fund Balances - Beginning, As Restated	41,184,127	3,553,626	7,240,011	4,900,058	4,420,642	43,047,321	4,264,916	14,094,114	19,515,014	954,705	75,722,421	(741,479)	-	3,636,628	221,792,104
Fund Balances - Ending	<u>\$ 46,471,304</u>	<u>\$ 3,510,222</u>	<u>\$ 7,004,978</u>	<u>\$ 6,549,154</u>	<u>\$ 5,548,089</u>	<u>\$ 49,831,160</u>	<u>\$ 4,238,927</u>	<u>\$ 14,785,343</u>	<u>\$ 19,577,630</u>	<u>\$ 1,043,510</u>	<u>\$ 86,963,804</u>	<u>\$ (790,077)</u>	<u>\$ -</u>	<u>\$ 1,709,387</u>	<u>\$ 246,443,431</u>

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

**Southwest Florida Water Management District
 Reconciliation of the Statement of Revenues,
 Expenditures, and Changes in Fund Balances of Governmental Funds
 To the Statement of Activities
 For the Year Ended September 30, 2001**

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

Net change in fund balances -- total governmental funds (page 16)	\$24,651,327
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.	46,423,901
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.	(45,720)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(470,495)
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.	<u>(154,835)</u>
Change in net assets of governmental activities (page 14)	<u><u>\$70,404,178</u></u>

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 Balances - Budget and Actual
For the Year Ended September 30, 2001**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Ad Valorem Taxes	\$ 65,009,801	\$ 65,161,463	\$ 151,662
Intergovernmental Revenues	4,442,502	2,669,974	(1,772,528)
Interest on Invested Funds	1,850,000	3,942,608	2,092,608
License and Permit Fees	840,000	2,170,210	1,330,210
Other	550,000	1,728,266	1,178,266
Total Revenues	<u>72,692,303</u>	<u>75,672,521</u>	<u>2,980,218</u>
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	12,681,607	8,808,975	3,872,632
Acquisition, Restoration and Public Works	27,494,301	11,007,255	16,487,046
Operations and Maintenance of Lands and Works	8,180,381	7,056,046	1,124,335
Regulation	13,216,058	11,603,061	1,612,997
Outreach - Public Education	1,441,844	1,083,708	358,136
District Management and Administration	31,108,726	22,611,908	8,496,818
Total Expenditures	<u>94,122,917</u>	<u>62,170,953</u>	<u>31,951,964</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,430,614)	13,501,568	34,932,182
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u>(10,384,836)</u>	<u>(8,214,391)</u>	<u>2,170,445</u>
Net Change In Fund Balances	(31,815,450)	5,287,177	37,102,627
Fund Balances - Beginning, As Restated	31,815,450	41,184,127	9,368,677
Fund Balances - Ending	<u>\$ -</u>	<u>\$ 46,471,304</u>	<u>\$ 46,471,304</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 Balances - Budget and Actual
For the Year Ended September 30, 2001**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Ad Valorem Taxes	\$ 1,772,664	\$ 1,797,473	\$ 24,809
Intergovernmental Revenues	1,072,816	4,440	(1,068,376)
Interest on Invested Funds	75,000	244,790	169,790
Other	-	3,916	3,916
Total Revenues	2,920,480	2,050,619	(869,861)
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	562,477	125,368	437,109
Acquisition, Restoration and Public Works	1,102,813	624,087	478,726
Operations and Maintenance of Lands and Works	411,002	168,011	242,991
Outreach - Public Education	238,561	82,158	156,403
District Management and Administration	173,137	57,325	115,812
Total Expenditures	2,487,990	1,056,949	1,431,041
Excess of Revenues Over Expenditures	432,490	993,670	561,180
OTHER FINANCING SOURCES (USES)			
Transfers Out	(3,356,257)	(1,037,074)	2,319,183
Net Change In Fund Balances	(2,923,767)	(43,404)	2,880,363
Fund Balances - Beginning	2,923,767	3,553,626	629,859
Fund Balances - Ending	\$ -	\$ 3,510,222	\$ 3,510,222

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 Balances - Budget and Actual
For the Year Ended September 30, 2001**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Ad Valorem Taxes	\$ 5,391,316	\$ 5,341,977	\$ (49,339)
Intergovernmental Revenues	1,411,629	384,509	(1,027,120)
Interest on Invested Funds	150,000	602,416	452,416
Other	-	12,703	12,703
Total Revenues	6,952,945	6,341,605	(611,340)
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	2,144,527	820,910	1,323,617
Acquisition, Restoration and Public Works	5,017,834	2,175,126	2,842,708
Operations and Maintenance of Lands and Works	1,935,712	1,340,595	595,117
Outreach - Public Education	604,204	249,245	354,959
District Management and Administration	280,622	215,793	64,829
Total Expenditures	9,982,899	4,801,669	5,181,230
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,029,954)	1,539,936	4,569,890
OTHER FINANCING SOURCES (USES)			
Transfers Out	(3,576,281)	(1,774,969)	1,801,312
Net Change In Fund Balances	(6,606,235)	(235,033)	6,371,202
Fund Balances - Beginning	6,606,235	7,240,011	633,776
Fund Balances - Ending	\$ -	\$ 7,004,978	\$ 7,004,978

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

**Southwest Florida Water Management District
Northwest Hillsborough Basin Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2001**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Ad Valorem Taxes	\$ 3,329,498	\$ 3,482,779	\$ 153,281
Intergovernmental Revenues	90	868	778
Interest on Invested Funds	200,000	456,167	256,167
Other	-	7,141	7,141
Total Revenues	<u>3,529,588</u>	<u>3,946,955</u>	<u>417,367</u>
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	411,150	123,220	287,930
Acquisition, Restoration and Public Works	5,523,743	1,167,883	4,355,860
Operations and Maintenance of Lands and Works	339,382	159,688	179,694
Outreach - Public Education	377,450	162,055	215,395
District Management and Administration	334,330	98,298	236,032
Total Expenditures	<u>6,986,055</u>	<u>1,711,144</u>	<u>5,274,911</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,456,467)	2,235,811	5,692,278
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u>(1,054,836)</u>	<u>(586,715)</u>	<u>468,121</u>
Net Change In Fund Balances	(4,511,303)	1,649,096	6,160,399
Fund Balances - Beginning	4,511,303	4,900,058	388,755
Fund Balances - Ending	<u>\$ -</u>	<u>\$ 6,549,154</u>	<u>\$ 6,549,154</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 Balances - Budget and Actual
For the Year Ended September 30, 2001**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive/(Negative)</u>
REVENUES			
Ad Valorem Taxes	\$ 2,586,575	\$ 2,600,589	\$ 14,014
Intergovernmental Revenues	510,863	416,672	(94,191)
Interest on Invested Funds	140,000	348,281	208,281
Other	-	6,963	6,963
Total Revenues	<u>3,237,438</u>	<u>3,372,505</u>	<u>135,067</u>
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	1,672,898	630,988	1,041,910
Acquisition, Restoration and Public Works	3,865,453	852,459	3,012,994
Operations and Maintenance of Lands and Works	1,045,446	460,164	585,282
Outreach - Public Education	301,555	142,023	159,532
District Management and Administration	138,569	93,507	45,062
Total Expenditures	<u>7,023,921</u>	<u>2,179,141</u>	<u>4,844,780</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,786,483)	1,193,364	4,979,847
OTHER FINANCING SOURCES (USES)			
Transfers Out	(470,301)	(65,917)	404,384
Net Change In Fund Balances	(4,256,784)	1,127,447	5,384,231
Fund Balances - Beginning	4,256,784	4,420,642	163,858
Fund Balances - Ending	<u>\$ -</u>	<u>\$ 5,548,089</u>	<u>\$ 5,548,089</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 Balances - Budget and Actual
For the Year Ended September 30, 2001**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Ad Valorem Taxes	\$ 15,684,440	\$ 15,801,596	\$ 117,156
Intergovernmental Revenues	577,247	166,181	(411,066)
Interest on Invested Funds	750,000	3,281,337	2,531,337
Other	-	16,367	16,367
TOTAL REVENUES	17,011,687	19,265,481	2,253,794
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	2,012,091	495,445	1,516,646
Acquisition, Restoration and Public Works	45,555,516	8,310,101	37,245,415
Operations and Maintenance of Lands and Works	1,271,575	347,887	923,688
Outreach - Public Education	1,302,320	754,344	547,976
District Management and Administration	1,152,605	412,208	740,397
Total Expenditures	51,294,107	10,319,985	40,974,122
Excess (Deficiency) of Revenues Over (Under) Expenditures	(34,282,420)	8,945,496	43,227,916
OTHER FINANCING SOURCES (USES)			
Transfers Out	(5,161,825)	(2,161,657)	3,000,168
Net Change In Fund Balances	(39,444,245)	6,783,839	46,228,084
Fund Balances - Beginning	39,444,245	43,047,321	3,603,076
Fund Balances - Ending	\$ -	\$ 49,831,160	\$ 49,831,160

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 Balances - Budget and Actual
For the Year Ended September 30, 2001**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Ad Valorem Taxes	2,099,205	2,105,648	6,443
Intergovernmental Revenues	7,550,666	1,478,865	(6,071,801)
Interest on Invested Funds	90,000	261,049	171,049
Other	-	6,963	6,963
Total Revenues	<u>\$ 9,739,871</u>	<u>\$ 3,852,525</u>	<u>\$ (5,887,346)</u>
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	853,787	553,126	300,661
Acquisition, Restoration and Public Works	15,050,858	1,872,045	13,178,813
Operations and Maintenance of Lands and Works	1,950,360	1,158,628	791,732
Outreach - Public Education	244,053	87,001	157,052
District Management and Administration	168,766	109,505	59,261
Total Expenditures	<u>18,267,824</u>	<u>3,780,305</u>	<u>14,487,519</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,527,953)	72,220	8,600,173
OTHER FINANCING SOURCES (USES)			
Transfers Out	(766,164)	(98,209)	667,955
Net Change In Fund Balances	<u>(9,294,117)</u>	<u>(25,989)</u>	<u>9,268,128</u>
Fund Balances - Beginning	9,294,117	4,264,916	(5,029,201)
Fund Balances - Ending	<u>\$ -</u>	<u>\$ 4,238,927</u>	<u>\$ 4,238,927</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 Balances - Budget and Actual
For the Year Ended September 30, 2001**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Ad Valorem Taxes	\$ 4,660,909	\$ 4,678,499	\$ 17,590
Intergovernmental Revenues	424,920	264,036	(160,884)
Interest on Invested Funds	300,000	954,930	654,930
Other	-	16,333	16,333
Total Revenues	<u>5,385,829</u>	<u>5,913,798</u>	<u>527,969</u>
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	1,170,018	595,548	574,470
Acquisition, Restoration and Public Works	15,169,036	3,631,484	11,537,552
Operations and Maintenance of Lands and Works	531,815	434,732	97,083
Regulation	59,220	52,720	6,500
Outreach - Public Education	356,258	182,240	174,018
District Management and Administration	468,538	207,521	261,017
Total Expenditures	<u>17,754,885</u>	<u>5,104,245</u>	<u>12,650,640</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,369,056)	809,553	13,178,609
OTHER FINANCING SOURCES (USES)			
Transfers Out	(850,065)	(118,324)	731,741
Net Change In Fund Balances	(13,219,121)	691,229	13,910,350
Fund Balances - Beginning	13,219,121	14,094,114	874,993
Fund Balances - Ending	<u>\$ -</u>	<u>\$ 14,785,343</u>	<u>\$ 14,785,343</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 Balances - Budget and Actual
For the Year Ended September 30, 2001**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Ad Valorem Taxes	\$ 5,617,584	\$ 5,651,854	\$ 34,270
Intergovernmental Revenues	772,175	587,307	(184,868)
Interest on Invested Funds	300,000	1,297,471	997,471
Other	-	22,123	22,123
Total Revenues	6,689,759	7,558,755	868,996
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	2,055,531	831,507	1,224,024
Acquisition, Restoration and Public Works	20,922,751	5,839,783	15,082,968
Operations and Maintenance of Lands and Works	449,859	379,748	70,111
Regulation	24,780	5,780	19,000
Outreach - Public Education	192,273	132,607	59,666
District Management and Administration	453,477	138,207	315,270
Total Expenditures	24,098,671	7,327,632	16,771,039
Excess (Deficiency) of Revenues Over (Under) Expenditures	(17,408,912)	231,123	17,640,035
OTHER FINANCING SOURCES (USES)			
Transfers Out	(1,061,895)	(168,507)	893,388
Net Change In Fund Balances	(18,470,807)	62,616	18,533,423
Fund Balances - Beginning	18,470,807	19,515,014	1,044,207
Fund Balances - Ending	\$ -	\$ 19,577,630	\$ 19,577,630

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

Southwest Florida Water Management District
SWIM Program Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2001

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental Revenues	\$ 4,440,076	\$ 3,341,683	\$ (1,098,393)
Interest on Invested Funds	-	72,877	72,877
Other	-	622	622
Total Revenues	4,440,076	3,415,182	(1,024,894)
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	3,602,449	516,030	3,086,419
Acquisition, Restoration and Public Works	19,410,123	4,117,037	15,293,086
Outreach - Public Education	32,749	14,865	17,884
Total Expenditures	23,045,321	4,647,932	18,397,389
Deficiency of Revenues Under Expenditures	(18,605,245)	(1,232,750)	17,372,495
OTHER FINANCING SOURCES (USES)			
Transfers In	4,957,439	1,321,555	(3,635,884)
Net Change In Fund Balances	(13,647,806)	88,805	13,736,611
Fund Balances - Beginning	13,647,806	954,705	(12,693,101)
Fund Balances - Ending	\$ -	\$ 1,043,510	\$ 1,043,510

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

**Southwest Florida Water Management District
Partnership Trust Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2001**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Interest on Invested Funds	\$ -	\$ 3,744,893	\$ 3,744,893
EXPENDITURES			
Current:			
Acquisition, Restoration and Public Works	90,024,696	5,024,694	85,000,002
Deficiency of Revenues Under Expenditures	(90,024,696)	(1,279,801)	88,744,895
OTHER FINANCING SOURCES (USES)			
Transfers In	16,645,346	12,521,184	(4,124,162)
Net Change In Fund Balances	(73,379,350)	11,241,383	84,620,733
Fund Balances - Beginning	73,379,350	75,722,421	2,343,071
Fund Balances - Ending	\$ -	\$ 86,963,804	\$ 86,963,804

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



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, 2001

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 an eleven 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 over 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 reported in the State of Florida's Comprehensive Annual Financial Report as a discretely presented component unit for the fiscal year ending June 30, 2002.

B. New governmental accounting standards

On October 1, 2000, the District adopted the provisions of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*; Statement No. 34, *Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments*; Statement No. 37, *Basic Financial Statements—for State and Local Governments: Omnibus*; and Statement No. 38, *Certain Financial Statement Note Disclosures*. Statement No. 33 establishes standards for accounting and reporting various types of nonexchange transactions and did not impact the District's financial statements. Statement No. 34 and Statement No. 37 established standards for external financial reporting for all state and local governmental entities, which includes a statement of net assets and a statement of activities and changes in net assets. It requires the classification of net assets into three components – invested in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- Invested in capital assets – This component of net assets consists of capital assets net of accumulated depreciation.
- Restricted – This component of net assets consists of constraints placed on net asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted net assets – This component of net assets consists of net assets that do not meet the definition of "restricted" or "invested in capital assets."

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
September 30, 2001

In addition, Statement No. 34 eliminated the use of expendable trust funds to account for assets held by the District in a trustee capacity. As such, the Partnership Agreement Expendable Trust Fund from the prior year has been reclassified to a special revenue fund titled Partnership Trust.

Statement No. 38 modifies, establishes and rescinds certain financial statement disclosure requirements. The District's note disclosures were impacted by the requirements that addressed the following: descriptions of the activities accounted for in the major funds; revenue recognition policies; lease obligations; receivable and payable balances and interfund transfers and balances.

C. 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.

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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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.

D. 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 expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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 imposed by the provider 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 payment is due.

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. Investment earnings are recognized when earned. All other revenue items are recognized when cash is received by the District, as any potential receivable amounts are not significant.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
September 30, 2001

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.

The District has ten *special revenue funds* that are maintained to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Eight of the District's special revenue funds are 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
- Northwest Hillsborough Basin
- Coastal Rivers Basin
- Pinellas-Anclote River Basin
- Withlacoochee River Basin
- Peace River Basin
- Manasota Basin

The *SWIM Program Fund* accounts for revenue sources received from the State of Florida and local governments that are legally restricted for the restoration and preservation of surface waters as provided in the Surface Water and Improvement Management (SWIM) Act created by the Florida State Legislature (see Note I.F.7).

The *Partnership Trust Fund* accounts for activities as defined by the Northern Tampa Bay New Water Supply and Ground Water Withdrawal Reduction Agreement. The objectives to be achieved by this agreement are developing water supply and reducing ground water pumpage, ending litigation among the parties to the agreement, and providing District financial assistance to Tampa Bay Water (see Note V.C).

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

The *Save Our Rivers 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 Save Our Rivers, Florida Preservation 2000, and Florida Forever land acquisition programs.

The *Lower Hillsborough Wilderness Park Fund* accounts for financial resources received from the federal government and Hillsborough County for development of the Lower Hillsborough Wilderness Park in connection with the Four River Basins, Florida Project.

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

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
September 30, 2001

E. Classification of expenditures

The District currently categorizes the revenue, expenditure, and budget data it submits to the Governor's Office, the Department of Environmental Protection and the Legislature by six program areas. These programs, which are set forth in Section 373.536(5)(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 resource 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; cooperative projects; land acquisition (including Save Our Rivers/Preservation 2000/ Florida Forever); 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 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 resource education; public information activities; all lobbying activities relating to local, regional, state, and federal governmental affairs; and all public relations activities, including related public service announcements and advertising in any media.

6.0 District Management and Administration

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

F. Assets, liabilities, and net assets

1. Cash and Investments.

Cash balances are pooled for investment purposes with the exception of 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 Investment and for External Investment Pools*. It is the practice of the District to hold all government securities to maturity.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
September 30, 2001

The District has limited its investments to the following investments authorized in Section 218.415, Florida Statutes: (a) Local Government Surplus Funds Trust Fund; (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 cost of inventories are recorded as expenditures when consumed rather than when purchased.

3. Restricted assets.

Certain proceeds of the Withlacoochee River Basin Fund (\$5,000,000) and the Partnership Trust Fund (\$91,782,787) are classified as temporarily restricted assets on the balance sheet because their use is limited to specific purposes as identified within their related agreements and the funds are maintained in separate investment accounts. As long as these agreements are in effect, the cash balances cannot be used for any other purpose.

4. Capital Assets.

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., bridges, water control structures, levees and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are those acquired for general government purposes with an initial, individual cost equal to or more than \$750 and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at their estimated fair value at the date of the donation. 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>
Public domain infrastructure	20 - 50
Buildings	5 - 50
Machinery & Equipment	3 - 10
Other	5

5. Long-term obligations.

In the government-wide financial statements, the long-term obligations expected to be financed from governmental funds are reported as liabilities in the governmental activities on the statement of net assets.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
September 30, 2001

The most significant accrued liability amount is for compensated absences and represents the liability for accrued vacation leave benefits plus the liability for 25 percent of accumulated 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.

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 240 hours of accumulated vacation leave. Sick leave benefits do not vest until an employee has earned ten 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 25 percent of accumulated vested sick leave benefits (up to a maximum of 480 hours).

6. Fund balance.

The reserved portion of fund balance in the governmental fund types is reported to indicate the portion of the fund balance that 1) is not appropriable for expenditure or 2) is legally segregated for a specific future use.

The unreserved portion of fund balance is classified as either designated or undesignated. Designated fund balance identifies tentative plans for the future use of financial resources. Undesignated fund balance is available for future appropriation.

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. The Florida Department of Environmental Protection has oversight responsibility for the trust funds and releases funds to the District for various programs when eligibility requirements have been met. It is the District's policy to recognize monies received through these state trust funds as intergovernmental revenues at the time an eligible cost has been incurred.

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 nonlapsing trust fund provides funding to the District for 1) land acquisition; 2) ongoing management, maintenance, and capital improvements of lands; 3) payments in lieu of taxes; 4) preacquisition costs associated with land purchases; and 5) 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, the SWIM Program Fund and the Save Our Rivers Fund.

The Florida Preservation 2000 Trust Fund was established in 1990 pursuant to Section 375.045, Florida Statutes. Funded through bond proceeds, the trust fund provides additional funding for land acquisition. For the water management districts, the Florida Preservation 2000 Act broadened the scope and criteria of the Water Management Lands Trust Fund for land acquisitions. Revenues received from the trust fund are accounted for in the Save Our Rivers Fund. This trust fund will terminate when all of the remaining trust funds have been disbursed.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
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The Florida Forever Trust Fund was established in 1999 pursuant to Section 259.1051, 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 1) the acquisition of environmentally significant lands (at least 50 percent of trust funds must be used for land acquisition); 2) water resource development; 3) regional water supply planning; and 4) the SWIM program. Revenues received from the trust fund are accounted for in the Save Our Rivers 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 and the restoration of Lake Panasoffkee. Revenues received from the trust fund are accounted for in the SWIM Program Fund and the Withlacoochee River Basin Fund.

8. Restatement.

In prior years, any deficit fund balance remaining in the Save Our Rivers Fund, a capital projects fund for land acquisition, was transferred to the general fund. The Save Our Rivers Fund maintains a deficit fund balance due to the timing of reimbursements from the state land acquisition trust funds (see Notes I.F.7 and III.B). During fiscal year 2001, management determined that the deficit fund balance should remain in the Save Our Rivers Fund. This change resulted in a prior period adjustment to increase the beginning fund balance in the general fund and to decrease the beginning fund balance in the Save Our Rivers Fund by \$741,480. The beginning fund balances have been restated on the Statement of Revenues, Expenditures, and Changes in Fund Balances for the Governmental Funds.

9. Use of estimates.

Management of the District has made a number of estimates and assumptions relating to the reporting of assets and liabilities to prepare these financial statements in conformity with generally accepted accounting principles. Actual results could differ from those estimates.

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 fund balance sheet includes a reconciliation between *fund balance—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 \$4,517,939 difference are as follows:

Compensated Absences	\$4,012,939
Claims (Workers’ Compensation and Dental)	<u>505,000</u>
Net adjustment to reduce fund balance— <i>total governmental funds</i> to arrive at <i>net assets of governmental activities</i>	<u>\$4,517,939</u>

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
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B. Explanation of the differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a 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 \$46,423,901 difference are as follows:

Capital outlay	\$51,069,033
Depreciation expense	<u>(4,645,132)</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>\$46,423,901</u>

Another element of that reconciliation states that, “The net effect of various miscellaneous transactions involving capital assets (e.g., sales, trade-ins, donations) is to decrease net assets.” In the statement of activities, only the gain on the sale of capital assets is reported which caused the difference of \$45,720. However, in the governmental funds, the proceeds from the sale increased financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.

Another element of that reconciliation states that “Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.” The \$470,495 difference is the net effect of taxes related to the current period that should be recorded as revenue, and taxes relating to prior years that were eliminated from revenues.

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 \$154,835 difference are as follows:

Compensated absences	\$(145,835)
Claims (Workers’ Compensation and Dental)	<u>(9,000)</u>
Net adjustment to <i>decrease net change in fund balances – total governmental funds</i> to arrive at <i>change in net assets of governmental activities</i>	<u>\$(154,835)</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 are adopted by the Governing and Basin

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
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Boards for all governmental funds and may be amended by District Governing Board action for supplemental budgetary appropriations. Remaining appropriations encumbered or designated for future projects at fiscal year end are carried forward and reappropriated in the following fiscal year. Unencumbered or undesignated appropriations lapse at fiscal year end.

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.

B. Deficit fund equity

The Save Our Rivers capital projects fund had a deficit fund balance of \$790,077 at September 30, 2001. This deficit was created because the Save Our Rivers Fund incurs expenditures related to the acquisition of lands that are not reimbursable by the Water Management Lands Trust Fund, pursuant to Rule 62-402.030, Florida Administrative Code, until the acquisition is complete (see Notes I.F.7 and 8). The general fund advances the cash required to cover temporary cash deficits in the Save Our Rivers Fund.

In addition, a deficit undesignated fund balance exists in the Save Our Rivers Fund (\$27,712,588) and the SWIM Program Fund (\$8,528,113). These deficits result from contractual obligations (encumbrances) at year end that are not eligible for reimbursement until expenditures are incurred against them, thus creating a deficit undesignated fund balance at September 30, 2001.

IV. Detailed notes

A. Cash and investments

At September 30, 2001, the carrying amount of the District's cash demand deposit account was a deficit of (\$1,794,368) and the bank balance was \$390,489. The bank balance was covered by federal depository insurance or was insured through the State of Florida public depository collateral pool. Cash invested in the Local Government Surplus Funds Trust Fund Investment Pool (the Pool) is administered by the Florida State Board of Administration.

Investments are categorized to give an indication of the level of credit risk assumed by the District at September 30, 2001. These categories of credit risk are:

- (1) Insured or registered, or securities held by the District or its agent in the District's name.
- (2) Uninsured and unregistered, with securities held by the counter party's trust department or agent in the District's name.
- (3) Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent, but not in the District's name.

Government securities and U.S. Treasury securities held by the District at September 30, 2001, are categorized into credit risk category (1). Investments in the Pool and those held by trustees are not classified as to credit risk as they are not evidenced by securities that exist in book or entry form.

The net increase in the fair value of investments during 2001 was \$1,898,720. This amount takes into account all changes in fair value (including purchases and sales) that occurred during the year

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
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and is included in interest on invested funds in the accompanying Statement of Revenues, Expenditures, and Changes in Fund Balances.

The Pool is governed by Chapter 19-7 of the Florida Administrative Code, which identifies the Rules of the State Board of Administration. These rules provide guidance and establish the general operating procedures for the administration of the Pool, which is not a registrant with the Securities and Exchange Commission; however, the State Board of Administration has adopted operating procedures consistent with the requirements for a 2a-7 fund. Additionally, the Office of the Auditor General performs the operational audit of the activities and investments of the State Board of Administration. At September 30, 2001, the fair value of the District's \$81,870,097 investment position in the Pool is the same as the value of the underlying pool shares.

The fair value of cash and investments at September 30, 2001, is summarized as follows:

	<u>FAIR VALUE</u>
U.S. Government Securities	\$ 96,011,100
Investments in Local Government Surplus Funds Trust Fund	81,870,097
Investments Held by Trustees:	
Money Market/U. S. Treasury Securities	<u>91,782,787</u>
Total Investments	<u>269,663,984</u>
Demand Deposit Accounts	(1,794,368)
Petty Cash	<u>2,900</u>
Total Demand Deposits and Petty Cash	<u>(1,791,468)</u>
Total Cash and Investments	<u>\$267,872,516</u>

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	\$1,618,552	\$225,096	\$1,843,648
Alafia River Basin	2,635	15,550	18,185
Hillsborough River Basin	138,254	35,921	174,175
Northwest Hillsborough Basin	6,124	28,655	34,779
Coastal Rivers Basin	255,268	21,593	276,861
Pinellas-Anclote River Basin	88,278	200,991	289,269
Withlacoochee River Basin	514,004	14,667	528,671
Peace River Basin	70,509	53,779	124,288
Manasota Basin	307,632	77,205	384,837
SWIM Program	1,610,419	5,568	1,615,987
Partnership Trust	—	20,711	205,711
Save Our Rivers	<u>1,190,605</u>	<u>—</u>	<u>1,190,605</u>
Total	<u>\$5,802,280</u>	<u>\$884,736</u>	<u>\$6,687,016</u>

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
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C. Deferred Revenue

Governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds were as follows:

Grant funds received prior to meeting all eligibility requirements:	
Withlacoochee River Basin (Lake Panasoffkee Project)	\$5,044,220
Save Our Rivers (land acquisition)	2,085,118
SWIM Program (restoration projects)	225,833
Other	<u>50,050</u>
Total Deferred Revenue	<u>\$7,405,221</u>

D. Property Taxes

Ad valorem 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 and assessments must be sold no later than June 1 of each year at which time a lien attaches to the property.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
September 30, 2001

E. Capital Assets

Capital asset activity for the year ended September 30, 2001 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$310,333,960	\$36,465,047	\$ 1,150	\$346,797,857
Land Interests	19,384,975	5,931,767	—	25,316,742
Construction in progress	<u>9,799,197</u>	<u>3,219,804</u>	<u>—</u>	<u>13,019,001</u>
Total capital assets, not being depreciated	<u>339,518,132</u>	<u>45,616,618</u>	<u>1,150</u>	<u>385,133,600</u>
Capital assets, being depreciated:				
Buildings	21,581,924	1,503,146	2,695	23,082,375
Machinery and Equipment	28,162,043	2,564,977	1,232,861	29,494,159
Infrastructure	100,567,023	1,378,095	—	101,945,118
Other	<u>62,775</u>	<u>6,197</u>	<u>—</u>	<u>68,972</u>
Total capital assets being depreciated	<u>150,373,765</u>	<u>5,452,415</u>	<u>1,235,556</u>	<u>154,590,624</u>
Less accumulated depreciation for:				
Buildings	(4,604,295)	(447,822)	1,549	(5,050,568)
Machinery and Equipment	(23,714,964)	(2,167,868)	1,189,437	(24,693,395)
Infrastructure	(28,588,553)	(2,022,038)	—	(30,610,591)
Other	<u>(48,040)</u>	<u>(7,404)</u>	<u>—</u>	<u>(55,444)</u>
Total accumulated depreciation	<u>(56,955,852)</u>	<u>(4,645,132)</u>	<u>1,190,986</u>	<u>(60,409,998)</u>
Total capital assets, being depreciated, net	<u>93,417,913</u>	<u>807,283</u>	<u>44,570</u>	<u>94,180,626</u>
Governmental activities capital assets, net	<u>\$432,936,045</u>	<u>\$46,423,901</u>	<u>\$ 45,720</u>	<u>\$479,314,226</u>

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

Governmental activities:	
Water Resources Planning & Monitoring	\$ 161,922
Acquisition, Restoration & Public Works	46,667
Operation & Maintenance of Lands & Works	2,826,257
Regulation	43,569
Outreach	4,888
Management and Administration	<u>1,561,829</u>
Total depreciation expense – governmental activities	<u>\$4,645,132</u>

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
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F. Interfund receivables, payables, and transfers

Interfund receivables and payables at September 30, 2001, and interfund transfers occurring during the fiscal year are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 40,754	\$ —	\$ —	\$ 8,214,391
Alafia River Basin	150,320	—	—	1,037,074
Hillsborough River Basin	63,028	—	—	1,774,969
Northwest Hillsborough Basin	8,760	—	—	586,715
Coastal Rivers Basin	8,532	—	—	65,917
Pinellas-Anclote River Basin	145,589	—	—	2,161,657
Withlacoochee River Basin	25,929	—	—	98,209
Peace River Basin	35,100	—	—	118,324
Manasota Basin	59,285	—	—	168,507
SWIM Program	—	500,000	1,321,555	—
Partnership Trust	—	—	12,521,184	—
Save Our Rivers	—	37,297	—	—
Facilities	—	—	383,024	—
	<u>\$ 537,297</u>	<u>\$ 537,297</u>	<u>\$14,225,763</u>	<u>\$14,225,763</u>

The Interfund Receivables and Interfund Payables relate to the following:

- (1) The general fund and the eight Basin funds have advanced a combined amount of \$500,000 for cash requirements to the SWIM Program Fund based on their respective commitments to fund the underlying SWIM contractual obligations. The advanced amount is annually re-evaluated and adjusted as to the amount required by each contributing fund.
- (2) The general fund has advanced \$37,297 to cover the temporary cash deficit in the Save Our Rivers Fund at September 30, 2001 (see Note III.B).

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

- (1) to move general fund and Basin fund revenues to the Partnership Trust Fund annually pursuant to the Northern Tampa Bay New Water Supply and Ground Water Withdrawal Reduction Agreement described in Note V.C. During fiscal year 2001, \$12,521,184 was transferred to the Partnership Trust Fund;
- (2) to move general fund and Basin fund revenues to the SWIM Program Fund to cover the District's share of program expenditures. During fiscal year 2001, \$1,321,555 was transferred to the SWIM Program Fund; and
- (3) to move general fund revenues to the Facilities Fund to finance building and ground improvements. During fiscal year 2001, \$383,024 was transferred to the Facilities Fund.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
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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. Lease expenditures for the year ended September 30, 2001, amounted to \$828,507.

Future minimum lease payments for these leases are as follows:

Fiscal Year Ending <u>September 30,</u>	Minimum <u>Lease Payments</u>
2002	\$ 43,965
2003	17,100
2004	3,300
	<u>\$ 64,365</u>

H. Long-term obligations

Long-term liability activity for the year ended September 30, 2001, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Compensated Absences	\$3,867,104	\$508,092	\$362,257	\$4,012,939	\$405,711
Capital Leases	66,408	—	66,408	—	—
Workers' Compensation	479,000	158,374	179,374	458,000	172,395
Dental	17,000	287,987	257,987	47,000	47,000
Total	<u>\$4,429,512</u>	<u>\$954,453</u>	<u>\$866,026</u>	<u>\$4,517,939</u>	<u>\$625,106</u>

The general and special revenue funds will be used to satisfy the obligations for the compensated absences. The general fund will be used to pay for workers' compensation and other liabilities.

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 disasters. During the year ended September 30, 2001, there were no significant reductions in insurance coverage from the prior year. In addition, no claims settlement has exceeded the insurance coverage amounts during 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 \$350,000 per occurrence. The District also has a self-insured dental plan as a benefit option for employees. Current expenditures related to the self-insurance programs are accounted for in the District's general fund and special revenue funds.

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'

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
September 30, 2001

compensation claims was based on an independent actuarial determination. The liability for dental claims was determined based on actuarial estimates of claims experience and actual claims experience.

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

	Year ended 09/30/01	Year ended 09/30/00
Unpaid claims, beginning of fiscal year	\$496,000	\$487,500
Incurred claims, including IBNRs and changes in estimates	446,361	370,207
Claim payments	<u>(437,361)</u>	<u>(361,707)</u>
Unpaid claims, end of fiscal year	<u>\$505,000</u>	<u>\$496,000</u>

At September 30, 2001, general fund assets of \$1,238,981 were held for the purpose of funding future workers' compensation claims liabilities, with a corresponding \$458,000 reserve for workers' compensation claims and a \$780,981 designation of the general fund balance.

B. Subsequent events

At renewal on October 1, 2001, the total blanket property insurance coverage limit for the District's real and personal property was lowered to \$40 million from \$80,954,000 in the prior policy term. However, the \$40 million coverage is for each of the individual office sites and facilities collectively. The primary cause of this reduction was the inability of property insurance carriers to obtain reinsurance for higher limits of insurance based on a) total market insured losses during the prior year and b) because of the anticipated catastrophic property loss claims as a result of the events of September 11th. The District will continue to monitor the market to restore the property insurance coverage limit based on affordability and availability, and will continue risk management measures to minimize the District's risk of loss.

C. Commitments and contingencies

At September 30, 2001, the District had unrestricted net assets (as defined by GASB, Statement 34) in the amount of \$155,791,704 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 1) liquidate contracts and purchase orders of the prior period in the amount of \$129,732,742; and 2) to pay claims associated with the District's Workers' Compensation Self-insurance Program estimated at \$458,000 based on an independent actuarial determination. The remaining net assets are earmarked for the New Water Sources Initiative (NWSI) projects, future water supply and resource development, and balance forward for future years.

The District's most significant commitment is under the Northern Tampa Bay New Water Supply and Ground Water Withdrawal Reduction Agreement (Partnership Agreement). The Partnership Agreement is between Tampa Bay Water (formerly known as West Coast Regional Water Supply Authority), Hillsborough County, Pasco County, Pinellas County, city of Tampa, city of St. Petersburg, city of New Port Richey and the District. The objectives to be achieved by this agreement are developing water supply and reducing ground water pumpage, ending litigation among the parties, and providing District financial assistance to Tampa Bay Water. The Partnership Agreement offers the development of at least eighty-five million gallons per day (85 mgd) annual average of new water supply for regional distribution by Tampa Bay Water to the member governments by December 31, 2007. The Partnership Agreement is intended to reduce the permitted pumpage from the existing wellfields to no more than one hundred twenty-one million

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
September 30, 2001

gallons per day (121 mgd) annual average by December 31, 2002, and to no more than ninety million gallons per day (90 mgd) annual average by December 31, 2007. The District shall fund a total of \$183 million to assist in the development of new water supply projects and the reduction of pumpage. At September 30, 2001, the District has paid a cumulative total of \$94,613,293 to a trust, which includes interest earned by the trust, held by a financial institution. Interest earned by the funds in the trust will be credited toward offsetting the District's obligation of \$183 million.

The remaining payments will be made as follows:

2002	\$ 12,684,027
2003	15,140,538
2004	15,140,538
2005	15,140,536
2006	15,140,534
2007	<u>15,140,534</u>
Total	<u>\$ 88,386,707</u>

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 federally and state assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources are 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.

D. Employee retirement systems and pension plans

The District contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of Florida Division of Retirement. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, 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 benefits provisions. Each year, the FRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Florida Department of Management Services, Division of Retirement, 2639 North Monroe Street, Building C, Tallahassee, Florida 32399-1560.

The FRS is non-contributory for employees and the District is required to contribute an actuarially determined rate. The contribution rates by class at September 30, 2001, were as follows: regular – 7.30 percent; senior management – 9.28 percent; and Deferred Retirement Option Program (DROP) – 12.67 percent. The contributions of the District are established and may be amended by the Florida Legislature. Contribution rates are established statewide 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 30, 1999, 2000 and 2001, were \$3,932,754; \$2,753,802; and \$2,384,890, respectively, equal to the required contributions for each year.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
September 30, 2001

E. Other postemployment benefits

The Retiree Health Insurance Subsidy (HIS) to assist retirees of all state-administered retirement systems in paying health insurance costs was established by Section 112.363, Florida Statutes. Eligible retirees currently receive five dollars (\$5) per month for each year of creditable service with a fifty dollar (\$50) minimum and one hundred fifty dollar (\$150) maximum monthly payment. To be eligible to receive the health insurance subsidy, a retiree under any state-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

The HIS program is funded, on a pay-as-you-go basis, by required contributions from Florida Retirement System (FRS) participating employers.

The contributions are added to the amount submitted for retirement contributions but are deposited in a separate trust fund (Retiree Health Insurance Subsidy Trust Fund) from which health insurance subsidy payments are authorized. If these contributions fail to provide full subsidy benefits to all participants, the subsidy payments may be reduced or canceled.

**PARTICIPANTS, CONTRIBUTIONS, AND
SUBSIDY PAYMENTS**

HIS Recipients at June 30, 2000	157,777
Total Annual HIS	
Employer Contributions	\$187,962,156
Total Annual HIS Payments	\$197,463,561
Average June HIS Payment	\$105.58
HIS Trust Fund Balance	
At June 30, 2000	\$83,856,299

The HIS contribution was equal to 0.94 percent of the employee's salary for fiscal year 2000 and 1.11 percent for fiscal year 2001.

The District's required contribution of \$299,839 for fiscal year ended September 30, 2001, comprised approximately 0.15 percent of the total contributions made to the system by all participating employers.

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Other Supplementary Information

**Southwest Florida Water Management District
Save Our Rivers Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2001
(Unaudited)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental Revenues	\$ 57,864,430	\$ 67,917,600	\$ 42,689,125	\$ (25,228,475)
Other	-	-	3,675	3,675
Total Revenues	<u>57,864,430</u>	<u>67,917,600</u>	<u>42,692,800</u>	<u>(25,224,800)</u>
EXPENDITURES				
Current:				
Acquisition, Restoration and Public Works	64,893,480	74,588,650	42,711,424	31,877,226
Operations and Maintenance of Lands and Works	-	358,000	29,974	328,026
Total Expenditures	<u>64,893,480</u>	<u>74,946,650</u>	<u>42,741,398</u>	<u>32,205,252</u>
Deficiency of Revenues Under Expenditures	(7,029,050)	(7,029,050)	(48,598)	6,980,452
Fund Balances - Beginning, As Restated	7,029,050	7,029,050	(741,479)	(7,770,529)
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (790,077)</u>	<u>\$ (790,077)</u>

Southwest Florida Water Management District
Lower Hillsborough Wilderness Park Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2001
(Unaudited)

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Intergovernmental Revenues	\$ <u>1,600,000</u>	\$ <u>18,390</u>	\$ <u>(1,581,610)</u>
EXPENDITURES			
Current:			
Acquisition, Restoration and Public Works	<u>1,600,000</u>	<u>18,390</u>	<u>1,581,610</u>
Excess of Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Southwest Florida Water Management District
Facilities Fund Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2001
(Unaudited)**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Ad Valorem Taxes	\$ 1,250,000	\$ 1,250,000	\$ -
EXPENDITURES			
Current:			
Acquisition, Restoration and Public Works	5,265,130	3,560,265	1,704,865
Deficiency of Revenues Under Expenditures	(4,015,130)	(2,310,265)	1,704,865
OTHER FINANCING SOURCES (USES)			
Transfers In	383,024	383,024	-
Net Change In Fund Balances	(3,632,106)	(1,927,241)	1,704,865
Fund Balances - Beginning	3,632,106	3,636,628	4,522
Fund Balances - Ending	<u>\$ -</u>	<u>\$ 1,709,387</u>	<u>\$ 1,709,387</u>

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Capital Assets Used in the Operation of Governmental Funds

**Southwest Florida Water Management District
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedule by Source
September 30, 2001**

	<u>District</u>	<u>Alafia River Basin</u>	<u>Hillsborough River Basin</u>	<u>Northwest Hillsborough Basin</u>	<u>Coastal Rivers Basin</u>	<u>Pinellas- Anclole River Basin</u>	<u>Withlacoochee River Basin</u>
Capital Assets							
Land	\$ 13,907,687	\$ 593,065	\$ 24,971,681	\$ 241,825	\$ 1,675,038	\$ 6,857,660	\$ 60,128
Land Interests	-	-	-	-	-	-	-
Buildings	19,744,908	-	1,127,961	-	-	1,402,336	736,424
Machinery and Equipment	28,885,111	3,944	27,291	56,417	15,449	36,036	14,799
Infrastructure	12,007,965	1,240,810	70,626,532	5,401,172	1,746,977	5,114,780	2,632,969
Construction in Progress	5,267,711	-	7,393,027	-	-	175,606	182,657
Other	48,234	-	1,548	-	-	-	15,051
Total Capital Assets	<u>\$ 79,861,616</u>	<u>\$ 1,837,819</u>	<u>\$ 104,148,040</u>	<u>\$ 5,699,414</u>	<u>\$ 3,437,464</u>	<u>\$ 13,586,418</u>	<u>\$ 3,642,028</u>
Investment in Capital Assets							
Federal Government	\$ 33,533	\$ -	\$ 52,636,601	\$ -	\$ 763,626	\$ 1,711,889	\$ 375,381
State Government	10,267,230	61,736	34,967,843	-	1,713,258	2,442,822	101,620
County and City Governments	-	-	1,596,125	43,098	-	2,639	52,433
Southwest Florida Water Management District	69,300,843	1,274,645	13,144,785	5,654,616	757,915	9,246,780	3,078,788
Property Owners and Other Interests	260,010	501,438	1,802,686	1,700	202,665	182,288	33,806
Total Investment in Capital Assets	<u>\$ 79,861,616</u>	<u>\$ 1,837,819</u>	<u>\$ 104,148,040</u>	<u>\$ 5,699,414</u>	<u>\$ 3,437,464</u>	<u>\$ 13,586,418</u>	<u>\$ 3,642,028</u>

(Continued)

**Southwest Florida Water Management District
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedule by Source
September 30, 2001
(Continued)**

	Peace River Basin	Manasota Basin	SWIM Program	Capital Projects Fund	TOTALS	
					2001	2000
Capital Assets						
Land	\$ 42,508	\$ -	\$ -	\$ 298,448,265	\$ 346,797,857	\$ 310,333,960
Land Interests	-	-	-	25,316,742	25,316,742	19,384,975
Buildings	-	-	-	70,746	23,082,375	21,581,924
Machinery and Equipment	18,486	2,012	434,614	-	29,494,159	28,162,043
Infrastructure	1,751,871	803,364	-	618,678	101,945,118	100,567,023
Construction in Progress	-	-	-	-	13,019,001	9,799,197
Other	2,591	1,548	-	-	68,972	62,775
Total Capital Assets	<u>\$ 1,815,456</u>	<u>\$ 806,924</u>	<u>\$ 434,614</u>	<u>\$ 324,454,431</u>	<u>\$ 539,724,224</u>	<u>\$ 489,891,897</u>
Total Investment in Capital Assets						
Federal Government	\$ 11,067	\$ 39,698	\$ -	\$ -	\$ 55,571,795	\$ 55,553,405
State Government	395,381	-	306,344	317,225,683	367,481,917	324,820,664
County and City Governments	24,000	-	-	2,388,713	4,107,008	4,022,808
Southwest Florida Water Management District	1,347,655	767,226	128,270	1,448,788	106,150,311	99,128,305
Property Owners and Other Interests	37,353	-	-	3,391,247	6,413,193	6,366,715
Total Investment in Capital Assets	<u>\$ 1,815,456</u>	<u>\$ 806,924</u>	<u>\$ 434,614</u>	<u>\$ 324,454,431</u>	<u>\$ 539,724,224</u>	<u>\$ 489,891,897</u>

**Southwest Florida Water Management District
Combining Schedule of Changes of Capital Assets
For the fiscal year ended September 30, 2001**

<u>Category</u>	<u>District</u>				<u>Alafia River Basin</u>			
	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance September 30, 2001</u>	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance September 30, 2001</u>
Capital Assets								
Land	\$ 13,885,879	\$ 21,808	\$ -	\$ 13,907,687	\$ 593,065	\$ -	\$ -	\$ 593,065
Land Interests	-	-	-	-	-	-	-	-
Buildings	18,965,357	782,246	2,695	19,744,908	-	-	-	-
Machinery and Equipment	27,548,481	2,562,417	1,225,787	28,885,111	3,944	-	-	3,944
Infrastructure	10,817,589	1,190,376	-	12,007,965	1,240,810	-	-	1,240,810
Construction in progress	2,466,346	2,801,365	-	5,267,711	-	-	-	-
Other	42,037	6,197	-	48,234	-	-	-	-
Total Capital Assets	<u>\$ 73,725,689</u>	<u>\$ 7,364,409</u>	<u>\$ 1,228,482</u>	<u>\$ 79,861,616</u>	<u>\$ 1,837,819</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,837,819</u>

(Continued)

**Southwest Florida Water Management District
Combining Schedule of Changes of Capital Assets
For the fiscal year ended September 30, 2001
(Continued)**

<u>Category</u>	<u>Hillsborough River Basin</u>			<u>Northwest Hillsborough Basin</u>			<u>Balance September 30, 2001</u>
	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	
Capital Assets							
Land	\$ 24,971,681	\$ -	\$ -	\$ 24,971,681	\$ 241,825	\$ -	\$ 241,825
Land Interests	-	-	-	-	-	-	-
Buildings	1,125,316	2,645	-	1,127,961	-	-	-
Machinery and Equipment	27,291	-	-	27,291	56,417	-	56,417
Infrastructure	70,626,532	-	-	70,626,532	5,401,172	-	5,401,172
Construction in progress	6,981,334	411,693	-	7,393,027	-	-	-
Other	1,548	-	-	1,548	-	-	-
Total Capital Assets	<u>\$ 103,733,702</u>	<u>\$ 414,338</u>	<u>\$ -</u>	<u>\$ 104,148,040</u>	<u>\$ 5,699,414</u>	<u>\$ -</u>	<u>\$ 5,699,414</u>

(Continued)

**Southwest Florida Water Management District
Combining Schedule of Changes of Capital Assets
For the fiscal year ended September 30, 2001
(Continued)**

<u>Category</u>	<u>Coastal Rivers Basin</u>			<u>Pinellas-Anclote River Basin</u>			<u>Balance September 30, 2001</u>	
	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>		
Capital Assets								
Land	\$ 1,675,038	\$ -	\$ -	\$ 1,675,038	\$ 6,857,660	\$ -	\$ -	\$ 6,857,660
Land Interests	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	1,402,336	-	-	1,402,336
Machinery and Equipment	15,449	-	-	15,449	33,476	2,560	-	36,036
Infrastructure	1,746,977	-	-	1,746,977	5,114,780	-	-	5,114,780
Construction in progress	-	-	-	-	-	175,606	-	175,606
Other	-	-	-	-	-	-	-	-
Total Capital Assets	<u>\$ 3,437,464</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,437,464</u>	<u>\$ 13,408,252</u>	<u>\$ 178,166</u>	<u>\$ -</u>	<u>\$ 13,586,418</u>

(Continued)

**Southwest Florida Water Management District
Combining Schedule of Changes of Capital Assets
For the fiscal year ended September 30, 2001
(Continued)**

<u>Category</u>	<u>Withlacoochee River Basin</u>				<u>Peace River Basin</u>			
	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance September 30, 2001</u>	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance September 30, 2001</u>
Capital Assets								
Land	\$ 60,128	\$ -	\$ -	\$ 60,128	\$ 42,508	\$ -	\$ -	\$ 42,508
Land Interests	-	-	-	-	-	-	-	-
Buildings	18,169	718,255	-	736,424	-	-	-	-
Machinery and Equipment	14,799	-	-	14,799	18,486	-	-	18,486
Infrastructure	2,453,050	179,919	-	2,632,969	1,751,871	-	-	1,751,871
Construction in progress	351,517	-	168,860	182,657	-	-	-	-
Other	15,051	-	-	15,051	2,591	-	-	2,591
Total Capital Assets	<u>\$ 2,912,714</u>	<u>\$ 898,174</u>	<u>\$ 168,860</u>	<u>\$ 3,642,028</u>	<u>\$ 1,815,456</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,815,456</u>

(Continued)

**Southwest Florida Water Management District
Combining Schedule of Changes of Capital Assets
For the fiscal year ended September 30, 2001
(Continued)**

<u>Category</u>	<u>Manasota Basin</u>			<u>SWIM Program</u>				
	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance September 30, 2001</u>	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance September 30, 2001</u>
Capital Assets								
Land	\$ -	\$ -	\$ -	\$ -	\$ 1,150	\$ -	\$ 1,150	\$ -
Land Interests	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-
Machinery and Equipment	2,012	-	-	2,012	441,688	-	7,074	434,614
Infrastructure	803,364	-	-	803,364	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Other	1,548	-	-	1,548	-	-	-	-
Total Capital Assets	<u>\$ 806,924</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 806,924</u>	<u>\$ 442,838</u>	<u>\$ -</u>	<u>\$ 8,224</u>	<u>\$ 434,614</u>

(Continued)

**Southwest Florida Water Management District
Combining Schedule of Changes of Capital Assets
For the fiscal year ended September 30, 2001**

<u>Category</u>	<u>Save Our Rivers Fund</u>			<u>Total Investment in Capital Assets</u>				
	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance September 30, 2001</u>	<u>Balance October 1, 2000</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance September 30, 2001</u>
Capital Assets								
Land	\$ 262,005,026	\$ 36,443,239	\$ -	\$ 298,448,265	\$ 310,333,960	\$ 36,465,047	\$ 1,150	\$ 346,797,857
Land Interests	19,384,975	5,931,767	-	25,316,742	19,384,975	5,931,767	-	25,316,742
Buildings	70,746	-	-	70,746	21,581,924	1,503,146	2,695	23,082,375
Machinery and Equipment	-	-	-	-	28,162,043	2,564,977	1,232,861	29,494,159
Infrastructure	610,878	7,800	-	618,678	100,567,023	1,378,095	-	101,945,118
Construction in progress	-	-	-	-	9,799,197	3,388,664	-	13,187,861
Other	-	-	-	-	62,775	6,197	-	68,972
Total Capital Assets	<u>\$ 282,071,625</u>	<u>\$ 42,382,806</u>	<u>\$ -</u>	<u>\$ 324,454,431</u>	<u>\$ 489,891,897</u>	<u>\$ 51,237,893</u>	<u>\$ 1,236,706</u>	<u>\$ 539,893,084</u>



Statistical Section

The statistical tables differ from financial statements because they generally disclose more than one fiscal year and may present non-accounting data such as social and economic data and financial trends of the District.

**Southwest Florida Water Management District
General Governmental Expenditures by Program
For The Year Ended September 30, 2001**

<u>Fiscal Year</u>	<u>Water Resources Planning and Monitoring</u>	<u>Acquisition Restoration And Public Works</u>	<u>Operations And Maintenance Of Lands And Works</u>	<u>Regulation</u>	<u>Outreach-Public Education</u>	<u>District Management And Administration</u>	<u>Total Expenditures</u>
2001	\$13,501,117 8.74%	\$90,912,033 58.86%	\$11,535,473 7.48%	\$11,661,561 7.55%	\$2,890,246 1.87%	\$23,944,272 15.50%	\$154,444,702 100.00%

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

The District's General Governmental Expenditures for fiscal year ended September 30, 2001, are presented for each of its six program areas, as defined under Section 373.536(5)(d)4, Florida Statutes. In prior years, expenditures were classified according to function. This change in presentation was made to be consistent with required budgetary reporting.

Prior year expenditures presented by function and not restated by program area are reported on the following page.

**Southwest Florida Water Management District
General Governmental Expenditures by Function (1)
For The Prior Nine Fiscal Years**

Fiscal Year	Administrative	General Counsel	Commissions	Resource Management	Resource Regulation	Operations and Maintenance	Land Resources	Total Expenditures
2000	20,563,316 17.60%	2,179,649 1.87%	2,717,420 2.33%	37,227,422 31.87%	11,433,901 9.79%	10,669,912 9.13%	32,019,024 27.41%	116,810,644 100.00%
1999	19,600,000 18.89%	2,898,528 2.79%	2,648,974 2.55%	30,727,530 29.62%	11,386,075 10.98%	8,807,020 8.49%	27,673,935 26.68%	103,742,062 100.00%
1998	20,044,753 20.77%	1,920,256 1.99%	2,596,154 2.69%	30,193,106 31.29%	11,202,060 11.61%	8,993,553 9.32%	21,550,604 22.33%	96,500,486 100.00%
1997	20,249,262 21.53%	2,459,069 2.61%	2,375,151 2.53%	38,098,112 40.50%	10,855,908 11.54%	8,445,683 8.98%	11,581,022 12.31%	94,064,207 100.00%
1996	19,390,512 19.08%	2,903,935 2.86%	2,248,589 2.21%	33,743,970 33.20%	10,333,851 10.17%	7,864,051 7.73%	25,165,305 24.75%	101,650,213 100.00%
1995	17,137,894 17.32%	2,090,130 2.11%	2,150,608 2.17%	24,378,800 24.64%	9,742,149 9.85%	7,257,493 7.33%	36,190,304 36.58%	98,947,378 100.00%
1994	16,572,309 19.30%	1,455,524 1.70%	1,562,216 1.82%	28,329,477 33.00%	9,052,900 10.55%	7,572,468 8.82%	21,300,518 24.81%	85,845,412 100.00%
1993	14,530,263 19.34%	1,179,610 1.57%	1,856,615 2.47%	17,281,293 23.00%	8,356,738 11.13%	8,295,307 11.04%	23,630,249 31.45%	75,130,075 100.00%
1992	20,411,622 (2) 23.05%	1,021,465 1.15%	2,071,381 2.34%	17,315,689 19.56%	7,932,558 8.96%	9,531,353 10.76%	30,261,101 34.18%	88,545,169 100.00%

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

(2) Effective with the 1992 presentation of data, the expenditures for the Surface Water Improvement and Management Program (SWIM) and the Sarasota Bay National Estuary Program (SBNEP) are reclassified as Resource Management Expenditures which more accurately reflects the activities of the programs. Amounts were previously reported as Administrative expenditures and were not restated for fiscal years prior to 1992.

**Southwest Florida Water Management District
General Governmental Revenues By Source (1)
For The Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Ad Valorem Taxes</u>	<u>Inter-Governmental</u>	<u>Interest</u>	<u>License And Permit Fees</u>	<u>Leases (2)</u>	<u>Other Revenues</u>	<u>Total Revenues</u>
2001	\$107,871,878 60.23%	\$52,022,050 29.05%	\$15,206,819 8.49%	\$2,170,210 1.21%	- -	\$1,825,072 1.02%	\$179,096,029 100.00%
2000	99,645,894 64.36%	37,926,389 24.50%	13,521,786 8.73%	2,134,534 1.38%	- -	1,602,377 1.03%	154,830,980 100.00%
1999	94,005,983 68.39%	31,489,911 22.91%	8,565,607 6.23%	2,134,867 1.55%	- -	1,260,264 0.92%	137,456,632 100.00%
1998	88,790,677 70.74%	23,428,458 18.66%	9,836,607 7.84%	1,967,139 1.57%	- -	1,500,369 1.19%	125,523,250 100.00%
1997	85,085,860 76.71%	14,554,920 13.12%	7,931,848 7.15%	1,911,865 1.72%	- -	1,442,556 1.30%	110,927,049 100.00%
1996	82,056,028 68.74%	27,596,388 23.12%	6,714,192 5.62%	1,766,919 1.48%	- -	1,235,660 1.04%	119,369,187 100.00%
1995	79,006,591 62.20%	39,881,240 31.39%	5,361,143 4.22%	1,852,357 1.46%	- -	923,494 0.73%	127,024,825 100.00%
1994	64,247,594 68.32%	24,033,826 25.56%	2,744,696 2.92%	1,906,859 2.02%	- -	1,108,136 1.18%	94,041,111 100.00%
1993	49,046,214 61.30%	26,038,160 32.55%	2,191,822 2.74%	1,727,181 2.16%	- -	1,002,601 1.25%	80,005,978 100.00%
1992	52,355,533 57.68%	32,885,447 36.23%	2,587,132 2.85%	1,564,960 1.72%	\$252,386 0.28%	1,125,811 1.24%	90,771,269 100.00%

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

(2) Lease revenue is combined with Other Revenues for fiscal years 1993 through 2001.

**Southwest Florida Water Management District
Ad Valorem Tax Revenues By Source (1)
For The Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>District</u>	<u>Alafia River Basin</u>	<u>Hillsborough River Basin</u>	<u>Northwest Hillsborough Basin</u>	<u>Coastal Rivers Basin</u>	<u>Pinellas-Anclote River Basin</u>	<u>Withlacoochee River Basin</u>	<u>Peace River Basin</u>	<u>Manasota Basin</u>	<u>Facilities Fund</u>	<u>Total</u>	<u>Percent Base Year</u>	<u>Annual Change In Percent</u>
2001	\$65,161,463	\$1,797,473	\$5,341,977	\$3,482,779	\$2,600,589	\$15,801,596	\$2,105,648	\$4,678,499	\$5,651,854	\$1,250,000	\$107,871,878	206.0	15.7 %
2000	59,945,401	1,622,336	5,004,344	2,984,970	2,467,984	14,804,987	1,907,895	4,364,669	5,193,308	1,350,000	99,645,894	190.3	10.7
1999	56,485,528	1,510,639	4,611,989	2,771,906	2,340,201	14,148,290	1,748,138	4,220,523	4,847,044	1,321,725	94,005,983	179.6	10.0
1998	54,139,099	1,363,588	4,263,250	2,542,692	2,268,001	13,493,162	1,648,864	4,069,071	4,552,950	450,000	88,790,677	169.6	7.1
1997	51,362,703	1,254,558	4,106,343	2,343,650	2,189,734	13,030,027	1,569,764	3,892,729	4,875,352	461,000	85,085,860	162.5	5.8
1996	49,791,963	1,196,792	3,859,642	2,249,167	2,117,823	12,654,568	1,507,294	3,790,130	4,623,649	265,000	82,056,028	156.7	5.7
1995	47,794,505	1,141,496	3,787,377	2,153,646	2,099,130	12,324,954	1,430,541	3,586,624	4,440,688	247,630	79,006,591	150.9	28.2
1994	46,722,171	633,170	1,934,610	807,464	1,140,376	7,976,598	1,101,120	1,741,166	2,190,919	-	64,247,594	122.7	29.0
1993	34,758,800	468,475	1,235,669	736,348	1,130,304	6,081,433	1,060,950	1,693,755	1,880,480	-	49,046,214	93.7	(6.3)
1992	33,857,782	477,174	1,262,571	265,135	1,489,711	6,791,303	1,040,704	1,700,682	2,818,215	2,652,256	52,355,533	100.0	0.0

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

**Southwest Florida Water Management District
Ad Valorem Tax Revenues By County
For The Last Ten Fiscal Years**

Fiscal Year	Charlotte County	Citrus County	Desoto County	Hardee County	Hernando County	Highlands County	Hillsborough County	Lake County	Levy County
2001	\$4,527,994 4.20%	\$3,409,021 3.16%	\$463,960 0.43%	\$524,720 0.49%	\$2,776,543 2.57%	\$1,415,411 1.31%	\$25,349,449 23.50%	\$12,643 0.01%	\$300,825 0.28%
2000	4,098,324 4.11%	3,209,940 3.22%	438,792 0.44%	527,027 0.53%	2,649,084 2.66%	1,341,544 1.35%	22,973,329 23.05%	10,821 0.01%	281,085 0.28%
1999	3,882,244 4.13%	3,029,739 3.22%	409,732 0.44%	509,422 0.54%	2,494,811 2.65%	1,282,282 1.36%	21,330,466 22.69%	10,811 0.01%	266,208 0.28%
1998	3,750,204 4.22%	2,947,103 3.32%	401,469 0.45%	488,551 0.55%	2,418,917 2.72%	1,275,673 1.44%	19,612,647 22.09%	10,383 0.01%	248,423 0.28%
1997	3,764,552 4.42%	2,791,048 3.28%	385,403 0.45%	489,316 0.58%	2,362,118 2.78%	1,212,954 1.43%	18,130,918 21.31%	10,003 0.01%	239,136 0.28%
1996	3,679,630 4.48%	2,695,442 3.29%	379,465 0.46%	445,878 0.54%	2,278,528 2.78%	1,175,996 1.43%	17,567,420 21.41%	11,404 0.02%	228,327 0.28%
1995	3,586,084 4.54%	2,598,238 3.29%	347,941 0.44%	433,026 0.55%	2,181,330 2.76%	1,135,712 1.44%	17,033,825 21.56%	9,623 0.01%	220,099 0.28%
1994	2,998,059 4.67%	2,137,729 3.33%	294,490 0.46%	355,078 0.55%	1,816,949 2.83%	914,596 1.42%	13,342,578 20.77%	9,896 0.01%	189,601 0.30%
1993	2,385,425 4.86%	1,751,571 3.57%	230,058 0.47%	220,108 0.45%	1,428,954 2.91%	714,489 1.46%	9,745,834 19.87%	6,822 0.01%	146,315 0.30%
1992	2,495,022 4.77%	1,818,938 3.47%	247,988 0.47%	224,395 0.43%	1,591,134 3.04%	721,805 1.38%	9,889,826 18.89%	7,501 0.01%	147,655 0.28%

(Continued)

Southwest Florida Water Management District
Ad Valorem Tax Revenues By County
For The Last Ten Fiscal Years
(Continued)

Fiscal Year	Manatee County	Marion County	Pasco County	Pinellas County	Polk County	Sarasota County	Sumter County	Total
2001	\$7,161,501 6.64%	\$1,594,177 1.48%	\$6,707,029 6.22%	\$31,020,770 28.75%	\$8,360,747 7.75%	\$13,395,311 12.42%	\$851,777 0.79%	\$107,871,878 100.00%
2000	6,565,397 6.59%	1,435,778 1.44%	6,176,589 6.20%	29,042,944 29.15%	7,860,437 7.89%	12,324,792 12.37%	710,011 0.71%	99,645,894 100.00%
1999	6,183,943 6.58%	1,322,793 1.41%	5,736,126 6.10%	27,781,399 29.56%	7,728,727 8.22%	11,449,390 12.18%	587,890 0.63%	94,005,983 100.00%
1998	5,773,126 6.50%	1,228,892 1.38%	5,424,918 6.11%	26,518,202 29.87%	7,387,532 8.32%	10,785,132 12.15%	519,505 0.59%	88,790,677 100.00%
1997	5,650,891 6.64%	1,163,757 1.37%	5,333,746 6.27%	25,638,073 30.12%	6,863,179 8.07%	10,595,035 12.45%	455,731 0.54%	85,085,860 100.00%
1996	5,402,514 6.58%	1,124,164 1.37%	4,999,322 6.09%	24,914,105 30.36%	6,715,133 8.18%	10,014,493 12.21%	424,207 0.52%	82,056,028 100.00%
1995	5,136,603 6.50%	1,051,726 1.33%	4,874,512 6.17%	24,268,052 30.72%	6,227,873 7.88%	9,515,190 12.04%	386,757 0.49%	79,006,591 100.00%
1994	4,202,773 6.54%	909,058 1.41%	4,008,596 6.24%	19,855,900 30.91%	5,166,575 8.04%	7,711,262 12.00%	334,454 0.52%	64,247,594 100.00%
1993	3,208,192 6.54%	757,348 1.54%	3,161,639 6.45%	15,061,478 30.71%	4,088,129 8.34%	5,875,098 11.98%	264,755 0.54%	49,046,214 100.00%
1992	3,642,548 6.96%	773,022 1.48%	3,459,952 6.61%	16,347,799 31.23%	4,209,323 8.04%	6,510,407 12.43%	268,218 0.51%	52,355,533 100.00%

**Southwest Florida Water Management District
Fund Balance Comparison To Annual Expenditures
For The Last Ten Fiscal Years**

<u>General Fund</u>				<u>Special Revenue Funds</u>			
<u>Fiscal Year</u>	<u>Unreserved Fund Balance</u>	<u>Annual Expenditures</u>	<u>Balance As Percentage of Expenditures</u>	<u>Fiscal Year</u>	<u>Unreserved Fund Balance</u>	<u>Annual Expenditures</u>	<u>Balance As Percentage of Expenditures</u>
2001	\$31,134,254	\$62,170,953	50.08 %	2001	\$24,699,711	\$45,953,696	53.75 %
2000	19,839,086	57,829,330	34.31	2000	23,679,518	29,696,817	79.74
1999	14,145,824	54,679,414	25.87	1999	19,846,207	21,601,411	91.87
1998	37,108,127	53,231,368	69.71	1998	45,297,807	24,225,257	186.99
1997	25,762,708	53,091,159	48.53	1997	31,603,258	32,033,509	98.66
1996	18,998,801	50,815,112	37.39	1996	19,350,525	27,633,433	70.03
1995	17,520,659	45,108,587	38.84	1995	7,233,371	19,669,471	36.77
1994	17,448,472	42,659,539	40.90	1994	2,999,209	23,568,182	12.73
1993	8,305,399	38,830,187	21.39	1993	1,790,218	13,913,433	12.87
1992	6,727,709	40,598,584	16.57	1992	2,304,909	18,325,442	12.58

(Continued)

**Southwest Florida Water Management District
Fund Balance Comparison To Annual Expenditures
For The Last Ten Fiscal Years
(Continued)**

<u>Capital Projects Funds</u>				<u>Total</u>				
<u>Fiscal Year</u>		<u>Unreserved Fund Balance</u>	<u>Annual Expenditures</u>	<u>Balance As Percentage of Expenditures</u>	<u>Fiscal Year</u>	<u>Unreserved Fund Balance</u>	<u>Annual Expenditures</u>	<u>Balance As Percentage of Expenditures</u>
2001	(1)	(\$26,545,080)	\$46,320,053	(57.31) %	2001	\$29,288,885	\$154,444,702	18.96 %
2000	(1)	(3,556,230)	29,284,497	(12.14)	2000	39,962,374	116,810,644	34.21
1999	(1)	(7,856,135)	24,836,443	(31.63)	1999	26,135,896	101,117,268	26.57
1998		781,003	19,043,861	4.10	1998	83,186,937	96,500,486	86.20
1997		625,569	8,939,539	7.00	1997	57,991,535	94,064,207	61.65
1996		796,077	23,201,668	3.43	1996	39,145,403	101,650,213	38.51
1995		1,022,901	34,169,320	2.99	1995	25,776,931	98,947,378	26.05
1994	(1)	(2,948,522)	19,617,691	(15.03)	1994	17,499,159	85,845,412	20.38
1993		1,272,225	22,386,455	5.68	1993	11,367,842	75,130,075	15.13
1992		3,619,539	29,621,143	12.22	1992	12,652,157	88,545,169	14.29

(1) The deficit undesignated fund balance resulted from encumbrances at year-end for impending land purchases in the Save Our Rivers Capital Projects Fund. The land purchases have been or will be funded from either the Water Management Lands Trust Fund, Florida Preservation 2000 or the Florida Forever Trust Fund. The cash required to finance the purchases is or was recorded in the Capital Projects Fund with the revenue deferred at year-end or reserved in the State of Florida trust funds until required by the District.

**Southwest Florida Water Management District
Property Tax Levies, Tax Collections And Assessed Valuations
For The Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Assessed Valuation</u>	<u>Total Tax Levy (1)</u>	<u>Current Tax Collections</u>	<u>Percent Of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent Of Total Tax Collection To Tax Levy</u>
2001	\$162,692,043,704	\$107,051,963	\$106,626,498	99.60 %	\$1,245,380	\$107,871,878	100.77 %
2000	150,544,563,710	99,153,543	98,856,352	99.70	789,542	99,645,894	100.50
1999	141,288,924,735	93,088,275	93,352,010	100.28	653,973	94,005,983	100.99
1998	133,560,002,552	88,033,728	88,296,672	100.30	494,005	88,790,677	100.86
1997	126,836,423,345	84,214,617	84,620,186	100.48	465,674	85,085,860	101.03
1996	122,364,012,683	81,322,911	81,487,661	100.20	568,367	82,056,028	100.90
1995	118,504,827,937	79,009,412	78,568,964	99.45	437,627	79,006,591	99.99
1994	114,891,019,116	63,899,742	63,739,402	99.75	508,192	64,247,594	100.54
1993	111,950,659,600	48,835,630	47,862,448	98.01	1,183,766	49,046,214	100.43
1992	110,849,789,529	51,917,322	51,678,063	99.54	677,470	52,355,533	100.84

(1) Total Tax Levy represents the estimated budgeted tax levy for the District and Basins.

Source: District Records-Budget Department; Department of Revenue; County Governments.

**Southwest Florida Water Management District
Assessed And Estimated Actual Value Of Taxable Property
For The Last Ten Fiscal Years**

Fiscal Year	Charlotte County		Citrus County		Desoto County		Hardee County	
	Assessed Value	Estimated Actual	Assessed Value	Estimated Actual	Assessed Value	Estimated Actual	Assessed Value	Estimated Actual
2001	\$7,595,307,510 4.67%	\$10,329,838,220	\$5,186,796,299 3.19%	\$5,708,577,441	\$769,162,554 0.47%	\$1,608,953,885	\$876,412,155 0.54%	\$1,585,134,436
2000	6,923,396,053 4.60%	9,497,812,520	4,889,387,557 3.25%	5,308,083,181	738,754,884 0.49%	1,523,122,233	886,008,919 0.59%	1,533,016,212
1999	6,532,613,607 4.62%	8,578,159,248	4,636,024,601 3.28%	5,026,928,200	685,385,819 0.49%	1,485,278,334	853,546,216 0.60%	1,572,693,024
1998	6,279,933,532 4.70%	7,980,139,729	4,547,012,499 3.40%	4,705,350,500	667,456,789 0.50%	1,417,511,147	820,909,640 0.61%	1,523,595,499
1997	6,276,526,201 4.95%	7,607,952,513	4,301,587,444 3.39%	4,579,093,150	636,734,249 0.50%	1,378,877,006	812,859,961 0.64%	1,493,719,593
1996	6,142,476,115 5.02%	7,623,288,929	4,170,592,389 3.41%	4,448,001,864	654,571,553 0.53%	1,353,095,528	745,909,968 0.61%	1,501,142,583
1995	6,008,261,997 5.07%	7,307,791,535	4,011,439,761 3.38%	4,289,215,440	586,551,444 0.49%	1,251,312,594	718,872,837 0.61%	1,486,841,848
1994	5,918,101,656 5.15%	7,132,030,641	3,698,259,133 3.22%	4,181,459,163	584,913,066 0.51%	1,217,721,957	709,945,827 0.62%	1,473,869,173
1993	5,888,953,285 5.26%	6,996,678,006	3,615,192,103 3.23%	3,942,534,521	568,238,126 0.51%	1,188,197,842	545,183,332 0.49%	1,453,271,595
1992	5,868,599,690 5.29%	6,906,405,071	3,431,620,802 3.09%	3,855,549,568	556,607,114 0.50%	1,133,426,914	526,637,617 0.48%	1,348,754,929

(Continued)

**Southwest Florida Water Management District
Assessed And Estimated Actual Value Of Taxable Property
For The Last Ten Fiscal Years
(Continued)**

Fiscal Year	Hernando County		Highlands County		Hillsborough County		Lake County	
	Assessed Value	Estimated Actual	Assessed Value	Estimated Actual	Assessed Value	Estimated Actual	Assessed Value	Estimated Actual
2001	\$4,303,861,686 2.65%	\$6,246,678,319	\$2,385,636,554 1.47%	\$3,782,245,187	\$37,682,680,554 23.16%	\$53,291,862,679	\$29,283,069 0.02%	\$10,087,584,597
2000	4,096,364,117 2.72%	5,562,618,435	2,251,151,995 1.49%	3,645,550,032	34,496,030,668 22.91%	46,085,148,076	27,754,082 0.02%	9,238,981,450
1999	3,843,732,046 2.72%	5,288,124,346	2,148,770,949 1.52%	3,580,436,059	31,747,753,743 22.47%	41,379,146,380	25,861,753 0.02%	8,348,378,288
1998	3,752,464,158 2.81%	5,026,183,128	2,115,610,971 1.58%	3,248,707,921	29,180,233,724 21.85%	38,338,369,171	25,571,676 0.02%	7,670,282,422
1997	3,648,652,323 2.88%	4,856,424,853	2,030,513,798 1.60%	3,387,143,201	26,904,587,783 21.21%	35,281,572,634	23,327,222 0.02%	7,150,688,018
1996	3,541,921,564 2.89%	4,736,578,644	2,030,724,630 1.66%	3,152,686,677	26,214,178,347 21.42%	32,969,504,023	29,797,558 0.02%	6,711,434,701
1995	3,371,631,537 2.84%	4,606,116,520	1,905,866,920 1.61%	3,127,873,550	25,983,579,127 21.93%	31,754,541,383	23,923,244 0.02%	6,363,571,955
1994	3,295,657,092 2.87%	4,387,242,720	1,826,056,630 1.59%	3,008,022,700	25,175,371,055 21.91%	30,892,276,445	24,303,900 0.02%	5,988,517,752
1993	3,127,906,362 2.79%	4,279,522,696	1,783,774,050 1.59%	2,888,249,010	24,112,819,039 21.54%	30,096,492,036	22,829,162 0.02%	5,633,957,939
1992	3,076,794,553 2.78%	4,108,230,092	1,702,480,360 1.54%	2,837,241,100	24,408,907,793 22.02%	29,321,203,773	23,015,519 0.02%	5,271,282,631

(Continued)

**Southwest Florida Water Management District
Assessed And Estimated Actual Value Of Taxable Property
For The Last Ten Fiscal Years
(Continued)**

Fiscal Year	Levy County		Manatee County		Marion County		Pasco County	
	Assessed Value	Estimated Actual	Assessed Value	Estimated Actual	Assessed Value	Estimated Actual	Assessed Value	Estimated Actual
2001	\$440,252,953 0.27%	\$1,507,735,121	\$12,789,045,630 7.86%	\$16,654,859,576	\$2,283,066,481 1.40%	\$11,587,044,419	\$9,875,275,051 6.07%	\$14,926,055,100
2000	407,621,875 0.27%	1,450,180,272	11,586,175,475 7.70%	14,792,186,341	2,044,822,224 1.36%	10,660,989,518	9,092,768,760 6.04%	13,152,044,529
1999	379,082,077 0.27%	1,342,014,746	10,959,496,359 7.76%	13,519,211,907	1,884,601,020 1.33%	9,835,274,891	8,363,185,159 5.92%	12,087,492,344
1998	355,309,292 0.27%	1,292,901,965	10,211,809,447 7.65%	12,707,449,501	1,732,842,965 1.30%	9,241,624,880	7,957,419,741 5.96%	10,904,978,467
1997	340,241,843 0.27%	1,227,578,185	9,719,900,185 7.66%	11,872,639,912	1,665,146,896 1.31%	8,497,514,091	7,606,689,696 6.00%	10,444,615,432
1996	324,957,950 0.27%	1,182,521,550	9,193,173,086 7.51%	11,221,012,647	1,601,263,175 1.31%	8,274,380,820	7,338,831,875 6.00%	9,952,847,775
1995	315,011,980 0.27%	1,029,429,395	8,766,411,096 7.40%	10,667,348,410	1,536,554,116 1.30%	8,023,658,500	7,122,268,466 6.01%	9,630,181,389
1994	286,919,934 0.25%	978,441,618	8,454,246,302 7.36%	10,137,413,364	1,418,555,973 1.23%	7,850,265,307	7,016,672,490 6.11%	9,336,269,949
1993	263,377,873 0.23%	872,684,312	8,204,736,137 7.33%	9,780,937,946	1,372,260,214 1.23%	7,385,436,203	6,987,424,667 6.24%	9,317,568,766
1992	247,780,542 0.22%	805,623,067	8,012,761,089 7.23%	9,444,911,582	1,351,950,919 1.22%	7,175,867,959	6,903,672,081 6.23%	9,367,144,395

(Continued)

**Southwest Florida Water Management District
Assessed And Estimated Actual Value Of Taxable Property
For The Last Ten Fiscal Years
(Continued)**

Fiscal Year	Pinellas County		Polk County		Sarasota County		Sumter County		Total	
	Assessed Value	Estimated Actual	Assessed Value	Estimated Actual	Assessed Value	Estimated Actual	Assessed Value	Estimated Actual	Assessed Value	Estimated Actual
2001	\$39,016,510,925 23.98%	\$52,852,990,700	\$14,449,672,403 8.88%	\$18,441,382,093	\$23,783,753,695 14.62%	\$31,567,616,197	\$1,225,326,185 0.75%	\$2,359,021,549	\$162,692,043,704 100.00%	\$242,537,579,519
2000	36,571,099,997 24.29%	47,860,664,200	13,583,962,496 9.02%	16,609,984,276	21,930,739,771 14.57%	28,256,271,308	1,018,524,837 0.68%	1,778,675,015	150,544,563,710 100.00%	216,955,327,598
1999	34,874,382,682 24.69%	44,382,705,500	13,168,283,712 9.32%	15,365,515,433	20,352,366,804 14.40%	25,931,541,134	833,838,188 0.59%	1,528,838,454	141,288,924,735 100.00%	199,251,738,288
1998	33,311,305,395 24.94%	42,355,438,300	12,726,018,383 9.53%	14,780,658,503	19,137,443,797 14.33%	23,801,300,412	738,660,543 0.55%	1,297,878,196	133,560,002,552 100.00%	186,292,369,741
1997	32,213,721,168 25.40%	40,358,853,400	11,803,162,322 9.31%	14,312,480,973	18,205,445,978 14.35%	22,127,308,749	647,326,276 0.51%	1,171,123,629	126,836,423,345 100.00%	175,747,585,339
1996	31,261,015,545 25.55%	39,118,947,700	11,339,575,907 9.27%	13,518,642,455	17,167,542,233 14.03%	20,950,707,330	607,480,788 0.50%	1,062,030,622	122,364,012,683 100.00%	167,776,823,848
1995	30,562,336,825 25.79%	37,901,305,650	10,750,178,128 9.07%	13,264,904,690	16,288,022,851 13.74%	19,808,707,452	553,917,608 0.47%	996,498,364	118,504,827,937 100.00%	161,509,298,675
1994	30,040,429,309 26.15%	36,951,576,400	10,470,621,566 9.11%	12,968,534,518	15,457,966,437 13.45%	18,604,177,040	512,998,746 0.45%	929,054,181	114,891,019,116 100.00%	156,036,872,928
1993	29,818,976,570 26.64%	36,296,730,620	10,202,479,900 9.11%	12,440,390,577	14,956,494,135 13.36%	17,741,232,731	480,014,645 0.43%	883,823,779	111,950,659,600 100.00%	151,197,708,579
1992	30,072,089,616 27.13%	36,003,003,520	9,970,703,161 8.99%	12,030,691,498	14,231,207,001 12.84%	17,113,128,025	464,961,672 0.42%	815,276,917	110,849,789,529 100.00%	147,537,741,041

Notes: (1) Assessments are calculated at 100% of market value less exempt and immune values.
(2) The estimated actual represents the estimated total value of taxable property within each county.
Only portions of some counties lie within District Boundaries.

Source: Florida Statistical Abstract, State of Florida, Department of Revenue.

Southwest Florida Water Management District
Property Tax Rates--All Direct And Overlapping Governments (Per \$1000 Assessed Valuation)
For The Last Ten Fiscal Years

<u>County</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>
Charlotte										
County Government	4.7141	4.7141	4.7141	4.5992	4.5992	4.5278	4.4983	4.5038	4.4780	4.3856
District School Board	8.7544	8.8220	9.1360	9.7310	9.5965	9.8612	9.6802	9.6802	8.3943	8.8765
Other Millage	3.3355	2.8947	3.3050	3.3664	2.9754	3.1076	2.8160	0.0195	0.0200	0.0820
Total	<u>16.8040</u>	<u>16.4308</u>	<u>17.1551</u>	<u>17.6966</u>	<u>17.1711</u>	<u>17.4966</u>	<u>16.9945</u>	<u>14.2035</u>	<u>12.8923</u>	<u>13.3441</u>
Citrus										
County Government	8.4176	8.4179	8.4176	8.4916	7.9196	7.9196	7.9198	7.7090	7.9130	7.9390
District School Board	8.7800	8.5710	8.9430	9.1440	9.8160	9.8160	9.4880	9.4200	9.1150	9.2430
Other Millage	3.0402	3.1253	3.0960	3.1433	3.2170	3.2170	3.4837	1.3000	0.9093	1.2403
Total	<u>20.2378</u>	<u>20.1142</u>	<u>20.4566</u>	<u>20.7789</u>	<u>20.9526</u>	<u>20.9526</u>	<u>20.8915</u>	<u>18.4290</u>	<u>17.9373</u>	<u>18.4223</u>
Desoto										
County Government	8.5514	8.4800	8.4800	8.4800	8.4800	8.4800	8.4800	8.4800	8.4800	8.4800
District School Board	8.6220	8.7060	9.3010	9.5570	8.6490	8.7230	8.7580	8.7660	8.4570	8.6100
Other Millage	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.5180	0.4180
Total	<u>17.7904</u>	<u>17.8030</u>	<u>18.3980</u>	<u>18.6540</u>	<u>17.7460</u>	<u>17.8200</u>	<u>17.8550</u>	<u>17.8630</u>	<u>17.4550</u>	<u>17.5080</u>
Hardee										
County Government	8.5000	8.7500	8.7500	8.7500	9.7500	10.0000	10.0000	10.0000	10.0000	10.0000
District School Board	8.7340	8.6510	9.1510	9.6300	9.6100	9.2350	9.5260	9.2690	9.2010	8.5030
Other Millage	1.2010	1.2440	1.2370	1.2610	1.1970	1.2930	1.3540	1.3822	0.5180	0.4180
Total	<u>18.4350</u>	<u>18.6450</u>	<u>19.1380</u>	<u>19.6410</u>	<u>20.5570</u>	<u>20.5280</u>	<u>20.8800</u>	<u>20.6512</u>	<u>19.7190</u>	<u>18.9210</u>

(continued)

Southwest Florida Water Management District
Property Tax Rates--All Direct And Overlapping Governments (Per \$1000 Assessed Valuation)
For The Last Ten Fiscal Years
(Continued)

<u>County</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>
Hernando										
County Government	8.4204	8.4204	8.6704	8.7749	8.9580	8.9580	7.9580	7.9580	8.0048	7.9580
District School Board	9.8870	10.1760	10.4820	10.8510	10.8510	10.7930	10.7930	10.5630	10.5630	9.9070
Other Millage	3.5603	3.5613	3.5315	3.5502	3.5502	3.5952	3.3470	0.4220	0.4220	0.3220
Total	<u>21.8677</u>	<u>22.1577</u>	<u>22.6839</u>	<u>23.1761</u>	<u>23.3592</u>	<u>23.3462</u>	<u>22.0980</u>	<u>18.9430</u>	<u>18.9898</u>	<u>18.1870</u>
Highlands										
County Government	8.5000	8.5000	8.5000	8.5000	8.5000	8.5000	8.5000	8.5000	8.5000	7.9500
District School Board	8.6940	8.7280	8.9550	9.2480	9.2290	9.2480	9.2480	9.3120	9.1280	8.8800
Other Millage	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.5180	0.4180
Total	<u>17.8110</u>	<u>17.8450</u>	<u>18.0720</u>	<u>18.3650</u>	<u>18.3460</u>	<u>18.3650</u>	<u>18.3650</u>	<u>18.4290</u>	<u>18.1460</u>	<u>17.2480</u>
Hillsborough										
County Government	9.9909	10.1435	10.2165	10.3444	10.4347	10.5791	10.8144	8.2094	8.2143	8.2166
District School Board	8.5860	8.7150	9.0710	9.5310	9.5880	9.9542	9.8672	9.8672	9.7248	9.7076
Other Millage	5.6344	5.6112	5.6548	5.6340	5.6339	5.6339	5.6146	1.1880	1.1700	1.0320
Total	<u>24.2113</u>	<u>24.4697</u>	<u>24.9423</u>	<u>25.5094</u>	<u>25.6566</u>	<u>26.1672</u>	<u>26.2962</u>	<u>19.2646</u>	<u>19.1091</u>	<u>18.9562</u>
Lake										
County Government	5.1170	5.1170	4.7330	4.7330	4.7330	4.9090	4.9270	5.1350	5.1350	4.8640
District School Board	8.2020	8.4950	8.7420	9.1900	9.1000	9.2280	9.6780	8.5150	8.9380	9.0050
Other Millage	4.2129	2.7170	2.2340	2.4938	2.4388	2.4388	2.4710	0.4000	0.5170	0.7400
Total	<u>17.5319</u>	<u>16.3290</u>	<u>15.7090</u>	<u>16.4168</u>	<u>16.2718</u>	<u>16.5758</u>	<u>17.0760</u>	<u>14.0500</u>	<u>14.5900</u>	<u>14.6090</u>

(continued)

Southwest Florida Water Management District
Property Tax Rates--All Direct And Overlapping Governments (Per \$1000 Assessed Valuation)
For The Last Ten Fiscal Years
(Continued)

<u>County</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>
Levy										
County Government	9.0000	9.0000	9.0000	9.0000	9.0000	9.0000	9.0000	9.0000	9.1840	9.1840
District School Board	8.8330	9.0230	9.1280	9.7860	9.6840	9.8990	9.3590	9.3590	9.3250	9.0050
Other Millage	3.1981	3.0395	3.0717	3.0833	3.0992	3.1207	3.1522	0.0000	0.0000	0.0000
Total	<u>21.0311</u>	<u>21.0625</u>	<u>21.1997</u>	<u>21.8693</u>	<u>21.7832</u>	<u>22.0197</u>	<u>21.5112</u>	<u>18.3590</u>	<u>18.5090</u>	<u>18.1890</u>
Manatee										
County Government	8.7690	8.7690	8.8490	8.8290	8.8500	8.8636	7.6612	7.7333	7.2539	7.4442
District School Board	8.3270	8.6820	8.6070	9.0360	9.1724	9.5154	9.4095	9.5888	9.1244	9.2141
Other Millage	2.8644	2.8303	2.7751	2.7565	2.5554	2.5077	3.8744	3.5475	0.0000	0.6180
Total	<u>19.9604</u>	<u>20.2813</u>	<u>20.2311</u>	<u>20.6215</u>	<u>20.5778</u>	<u>20.8867</u>	<u>20.9451</u>	<u>20.8696</u>	<u>16.3783</u>	<u>17.2763</u>
Marion										
County Government	6.0600	6.1800	6.1500	6.1500	6.2200	9.2750	8.8750	5.7400	6.1000	6.0500
District School Board	9.5000	9.6560	9.8320	10.6240	10.5850	9.9920	9.7480	9.8800	9.5810	9.4050
Other Millage	5.3426	5.6491	5.1343	5.2433	5.3475	1.6483	1.6149	0.0000	0.0000	0.0000
Total	<u>20.9026</u>	<u>21.4851</u>	<u>21.1163</u>	<u>22.0173</u>	<u>22.1525</u>	<u>20.9153</u>	<u>20.2379</u>	<u>15.6200</u>	<u>15.6810</u>	<u>15.4550</u>
Pasco										
County Government	9.0250	9.3410	8.5700	8.1960	9.1000	9.1270	9.4220	9.2690	9.2770	8.6180
District School Board	9.1140	9.1320	9.7090	10.0920	10.0210	10.1570	10.3800	10.2550	9.1280	9.6200
Other Millage	1.6370	1.6400	1.6410	1.6410	1.6410	1.6410	1.6410	0.4220	0.0000	0.3220
Total	<u>19.7760</u>	<u>20.1130</u>	<u>19.9200</u>	<u>19.9290</u>	<u>20.7620</u>	<u>20.9250</u>	<u>21.4430</u>	<u>19.9460</u>	<u>18.4050</u>	<u>18.5600</u>

(continued)

Southwest Florida Water Management District
Property Tax Rates--All Direct And Overlapping Governments (Per \$1000 Assessed Valuation)
For The Last Ten Fiscal Years
(Continued)

<u>County</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>
Pinellas										
County Government	6.8010	6.7510	6.5010	7.3940	7.1940	7.1660	7.0270	6.3910	6.3010	6.2670
District School Board	8.4870	8.4330	8.6660	9.1100	9.1330	9.1760	9.3290	9.3590	9.0820	9.0000
Other Millage	6.7720	6.7220	6.7230	5.4499	5.6088	5.5451	5.6337	1.6308	0.7351	1.1820
Total	<u>22.0600</u>	<u>21.9060</u>	<u>21.8900</u>	<u>21.9539</u>	<u>21.9358</u>	<u>21.8871</u>	<u>21.9897</u>	<u>17.3808</u>	<u>16.1181</u>	<u>16.4490</u>
Polk										
County Government	7.7270	7.7270	7.9770	7.9770	7.9770	7.9770	7.9770	7.7770	7.7770	7.1000
District School Board	8.7220	8.8460	9.0720	9.3280	9.4310	9.3360	9.3290	9.0660	8.6020	8.4840
Other Millage	0.8411	0.8114	0.8144	0.8187	0.8190	0.7427	0.7366	0.0000	0.0000	0.0000
Total	<u>17.2901</u>	<u>17.3844</u>	<u>17.8634</u>	<u>18.1237</u>	<u>18.2270</u>	<u>18.0557</u>	<u>18.0426</u>	<u>16.8430</u>	<u>16.3790</u>	<u>15.5840</u>
Sarasota										
County Government	5.5653	5.5758	5.5794	5.2042	4.9173	4.9946	5.0032	3.9819	3.7989	3.8476
District School Board	8.4880	8.5440	8.5370	9.2290	8.9470	9.0940	9.4630	9.5550	8.9380	9.6180
Other Millage	0.6114	0.5716	0.7622	0.8654	1.0765	1.2390	1.1372	0.9687	0.8895	0.7745
Total	<u>14.6647</u>	<u>14.6914</u>	<u>14.8786</u>	<u>15.2986</u>	<u>14.9408</u>	<u>15.3276</u>	<u>15.6034</u>	<u>14.5056</u>	<u>13.6264</u>	<u>14.2401</u>
Sumter										
County Government	9.5650	9.5650	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
District School Board	8.7670	8.8890	9.3030	9.3600	9.4250	9.3670	9.3690	9.5040	9.2780	9.3410
Other Millage	3.2086	3.2494	2.8158	3.0185	2.9730	3.3186	3.3506	0.0000	0.4220	0.3220
Total	<u>21.5406</u>	<u>21.7034</u>	<u>22.1188</u>	<u>22.3785</u>	<u>22.3980</u>	<u>22.6856</u>	<u>22.7196</u>	<u>19.5040</u>	<u>19.7000</u>	<u>19.6630</u>

Source: For fiscal years 1995 through 2001--the property tax rate information was obtained directly from the Tax Collectors. The "other millage" reported represents the average rates levied in each county, since the rates within a County can vary, by all other taxing authorities including the District and Basins. For fiscal years 1994 and prior, the information was taken directly from the Florida Statistical Abstract, and may not have included all other taxes levied. For the actual property tax rates levied by the District General Fund and Basin Funds, refer to the Schedule of Property Tax Rates for the District and Watershed Basins.

**Southwest Florida Water Management District
Schedule Of Property Tax Rates For The District And Watershed Basins (Per \$1000 Assessed Valuation)
For The Last Ten Fiscal Years**

Fiscal Year	District	Alafia River Basin	Hillsborough River Basin	Northwest Hillsborough Basin	Coastal Rivers Basin	Pinellas-Anclote River Basin	Withlacoochee River Basin	Peace River Basin	Manasota Basin	Maximum Legal Rate (1)	
										District Wide	Per Basin
2001	.422	.240	.285	.268	.235	.400	.298	.195	.160	.500	.500
2000	.422	.240	.285	.268	.235	.401	.298	.195	.160	.500	.500
1999	.422	.240	.285	.268	.235	.401	.298	.195	.160	.500	.500
1998	.422	.240	.285	.268	.235	.401	.298	.195	.160	.500	.500
1997	.422	.240	.285	.268	.235	.401	.298	.195	.181	.500	.500
1996	.422	.240	.285	.268	.235	.401	.298	.195	.181	.500	.500
1995	.422	.240	.286	.268	.242	.401	.299	.195	.184	.500	.500
1994	.422	.136	.147	.104	.134	.265	.246	.096	.095	.500	.500
1993	.322	.107	.097	.099	.135	.204	.246	.096	.084	.500	.500
1992	.340	.107	.097	.034	.180	.227	.247	.098	.131	.500	.500

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

Source: Southwest Florida Water Management District, Budget in Brief Fiscal Year 2001 Annual Service Budget

**Southwest Florida Water Management District
Demographic Statistics--Population By District, Basin And County
September 30, 2001**

Southwest Florida Water Management District By Basin

<u>County</u>	<u>BEBR Total</u>	<u>Within SWFWMD Population</u>	<u>Green Swamp</u>	<u>Alafia River</u>	<u>Hillsborough River</u>	<u>Northwest Hillsborough</u>	<u>Coastal Rivers</u>	<u>Pinellas-Anclote River</u>	<u>Withlacoochee River</u>	<u>Peace River</u>	<u>Manasota</u>
Charlotte *	141,627	140,919	N/A	N/A	N/A	N/A	N/A	N/A	N/A	140,919	N/A
Citrus	118,085	118,085	N/A	N/A	N/A	N/A	42,393	N/A	75,692	N/A	N/A
DeSoto	32,209	32,209	N/A	N/A	N/A	N/A	N/A	N/A	N/A	32,209	N/A
Hardee	26,938	26,938	N/A	N/A	N/A	N/A	N/A	N/A	N/A	26,938	N/A
Hernando	130,802	130,802	N/A	N/A	1,177	N/A	93,262	N/A	36,363	N/A	N/A
Highlands*	87,366	79,416	N/A	N/A	N/A	N/A	N/A	N/A	N/A	79,416	N/A
Hillsborough	998,948	998,948	N/A	162,829	601,366	234,753	N/A	N/A	N/A	N/A	N/A
Lake*	210,528	2,316	2,316	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Levy*	34,450	19,740	N/A	N/A	N/A	N/A	N/A	N/A	19,740	N/A	N/A
Manatee	264,002	264,002	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	264,002
Marion*	258,916	58,515	N/A	N/A	N/A	N/A	N/A	N/A	58,515	N/A	N/A
Pasco	344,765	344,765	8,274	N/A	58,265	N/A	191,000	50,336	36,890	N/A	N/A
Pinellas	921,482	921,482	N/A	N/A	N/A	N/A	N/A	921,482	N/A	N/A	N/A
Polk*	483,924	466,503	23,325	N/A	N/A	N/A	N/A	N/A	N/A	443,178	N/A
Sarasota	325,957	325,957	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	325,957
Sumter	53,345	53,345	533	N/A	N/A	N/A	N/A	N/A	52,812	N/A	N/A
Total	<u>4,433,344</u>	<u>3,983,942</u>	<u>34,448</u>	<u>162,829</u>	<u>660,808</u>	<u>234,753</u>	<u>326,655</u>	<u>971,818</u>	<u>280,012</u>	<u>722,660</u>	<u>589,959</u>

Notes: 1) The data is for only that portion of the county that is located within the District boundaries (partial counties are indicated with an "*").
2) Permanent Population = Year-Round Residents Only.

Sources: Florida Population: Census Summary 2000, Bureau of Business and Economic Research (BEBR), May 2001
Population Estimates & Projections: 1980-2020. District, May 1988.

**Southwest Florida Water Management District
Demographic Statistics--Population By County
For The Last Ten Fiscal Years**

Fiscal Year	Charlotte * County	Citrus County	Desoto County	Hardee County	Hernando County	Highlands * County	Hillsborough County	Lake * County
2001	140,919 3.54%	118,085 2.96%	32,209 0.81%	26,938 0.68%	130,802 3.28%	79,416 1.99%	998,948 25.07%	2,316 0.06%
2000	136,089 3.53%	114,898 2.98%	28,438 0.74%	22,594 0.58%	127,392 3.30%	73,759 1.91%	967,511 25.09%	2,242 0.06%
1999	132,987 3.51%	112,424 2.97%	27,927 0.74%	22,801 0.60%	125,008 3.30%	73,136 1.93%	942,322 24.89%	2,157 0.06%
1998	130,650 3.49%	109,984 2.93%	27,224 0.73%	22,447 0.60%	122,099 3.26%	72,298 1.93%	928,731 24.79%	2,072 0.06%
1997	128,821 3.52%	107,889 2.94%	26,716 0.73%	22,519 0.61%	119,931 3.27%	70,430 1.92%	910,885 24.86%	1,823 0.05%
1996	127,008 3.52%	105,468 2.92%	26,640 0.74%	22,885 0.63%	117,895 3.27%	69,775 1.93%	892,874 24.75%	1,769 0.05%
1995	124,259 3.50%	102,846 2.90%	26,260 0.74%	22,454 0.63%	114,866 3.23%	68,502 1.93%	879,069 24.75%	1,712 0.05%
1994	121,695 3.48%	100,829 2.88%	25,461 0.73%	22,035 0.63%	111,695 3.19%	66,102 1.89%	866,134 24.77%	1,672 0.05%
1993	118,089 3.43%	98,623 2.86%	24,830 0.72%	21,058 0.61%	108,112 3.14%	65,158 1.89%	853,990 24.78%	1,626 0.05%
1992	114,979 3.39%	95,915 2.82%	24,534 0.72%	19,812 0.58%	104,394 3.07%	63,760 1.88%	843,202 24.83%	1,571 0.05%

(Continued)

**Southwest Florida Water Management District
Demographic Statistics--Population By County
For The Last Ten Fiscal Years
(Continued)**

Fiscal Year	Levy * County	Manatee County	Marion * County	Pasco County	Pinellas County	Polk * County	Sarasota County	Sumter County
2001	19,740 0.50%	264,002 6.63%	58,515 1.47%	344,765 8.65%	921,482 23.13%	466,503 11.71%	325,957 8.18%	53,345 1.34%
2000	19,143 0.50%	253,207 6.56%	56,372 1.46%	326,494 8.47%	898,784 23.31%	457,615 11.87%	321,044 8.32%	50,823 1.32%
1999	18,574 0.49%	247,028 6.53%	54,773 1.45%	321,074 8.48%	892,178 23.57%	449,087 11.86%	316,023 8.35%	47,907 1.27%
1998	18,102 0.48%	241,422 6.44%	53,608 1.43%	315,785 8.43%	888,141 23.70%	459,010 12.25%	311,043 8.30%	44,366 1.18%
1997	17,585 0.48%	236,778 6.46%	49,749 1.36%	309,936 8.46%	881,383 24.05%	433,694 11.83%	305,848 8.35%	40,593 1.11%
1996	17,100 0.47%	233,160 6.46%	48,741 1.35%	305,576 8.48%	876,200 24.29%	424,541 11.77%	301,528 8.36%	36,456 1.01%
1995	16,681 0.47%	228,283 6.43%	47,276 1.33%	298,852 8.42%	870,722 24.51%	418,841 11.79%	296,002 8.33%	35,189 0.99%
1994	16,752 0.48%	223,508 6.39%	46,009 1.32%	293,966 8.41%	864,953 24.73%	411,885 11.78%	290,612 8.31%	33,814 0.96%
1993	15,733 0.46%	219,313 6.37%	44,841 1.30%	290,274 8.42%	860,736 24.98%	403,208 11.70%	287,203 8.33%	33,057 0.96%
1992	15,289 0.45%	215,130 6.34%	43,468 1.28%	285,407 8.41%	855,763 25.20%	397,283 11.70%	283,140 8.34%	32,015 0.94%

Note: The population data is for that portion of the county that is located within the District boundaries (partial counties are indicated with an "*").

Source: Florida Population: Census Summary 2000, Bureau of Business and Economic Research (BEER), May 2001.
Population Estimates & Projections: 1980-2020. District, May 1988.

**Southwest Florida Water Management District
Demographic Statistics--Changes In Population
For The Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Population</u>	<u>Increase</u>	<u>Percent Increase</u>
2001	3,983,942	127,537	3.31%
2000	3,856,405	70,999	1.88
1999	3,785,406	38,424	1.03
1998	3,746,982	82,402	2.25
1997	3,664,580	56,964	1.58
1996	3,607,616	55,802	1.57
1995	3,551,814	54,692	1.56
1994	3,497,122	51,271	1.49
1993	3,445,851	50,189	1.48
1992	3,395,662	-	-

**Southwest Florida Water Management District
Schedule Of Principal Taxpayers By County
September 30, 2001**

<u>County</u>	<u>Ad Valorem Tax Collections</u>	<u>Percentage Of Collections</u>	<u>Total Assessed Value</u>	<u>Percentage Of Assessed Valuation</u>
Pinellas County	\$31,020,770	28.75%	\$39,016,510,925	23.98%
Hillsborough County	25,349,449	23.50%	37,682,680,554	23.16%
Sarasota County	13,395,311	12.42%	23,783,753,695	14.62%
Polk County	8,360,747	7.75%	14,449,672,403	8.88%
Manatee County	7,161,501	6.64%	12,789,045,630	7.86%
Pasco County	6,707,029	6.22%	9,875,275,051	6.07%
Charlotte County	4,527,994	4.20%	7,595,307,510	4.67%
Citrus County	3,409,021	3.16%	5,186,796,299	3.19%
Hernando County	2,776,543	2.57%	4,303,861,686	2.65%
Marion County	1,594,177	1.48%	2,283,066,481	1.40%
Highlands County	1,415,411	1.31%	2,385,636,554	1.47%
Sumter County	851,777	0.79%	1,225,326,185	0.75%
Hardee County	524,720	0.49%	876,412,155	0.54%
DeSoto County	463,960	0.43%	769,162,554	0.47%
Levy County	300,825	0.28%	440,252,953	0.27%
Lake County	12,643	0.01%	29,283,069	0.02%
Total	<u>\$107,871,878</u>	<u>100.00%</u>	<u>\$162,692,043,704</u>	<u>100.00%</u>

**Southwest Florida Water Management District
Estimated Total Water Use By County (MGD)
September 30, 2001**

<u>County (1)</u>	<u>Agricultural</u>	<u>Industrial Commercial</u>	<u>Mining Dewatering</u>	<u>Public Supply (Withdrawal)</u>	<u>Domestic Self-Supply</u>	<u>Recreational Aesthetic</u>	<u>Total (Withdrawal) (2)</u>	<u>Public Supply (Use) (3)</u>	<u>Total (Use) (4)</u>
Charlotte *	17.514	0.019	1.079	6.910	3.487	3.270	32.279	13.105	38.474
Citrus	1.592	0.871	0.947	13.255	6.485	5.452	28.602	12.892	28.239
Desoto	75.325	0.035	0.200	13.170	1.744	0.356	90.830	1.292	78.952
Hardee	63.162	0.122	4.022	1.689	0.489	0.163	69.647	1.700	69.658
Hernando	2.740	8.793	17.119	20.507	1.320	4.470	54.949	20.512	54.954
Highlands *	53.885	0.254	0.019	8.414	0.825	2.523	65.920	8.573	66.079
Hillsborough	71.524	14.235	1.644	170.573	5.645	11.734	275.355	140.998	245.780
Lake *	1.448	0.000	0.000	0.000	0.216	0.000	1.664	0.000	1.664
Levy *	8.085	0.001	0.000	0.914	2.406	0.306	11.712	0.890	11.688
Manatee	92.148	0.245	5.565	42.491	0.191	3.469	144.109	37.855	139.473
Marion *	3.270	0.147	0.000	8.589	7.476	2.831	22.313	9.398	23.122
Pasco	16.107	7.676	1.476	97.940	3.475	5.814	132.488	37.242	71.790
Pinellas	0.489	0.143	0.230	34.352	0.401	6.177	41.792	116.468	123.908
Polk *	121.098	40.977	40.440	69.201	10.365	10.042	292.123	69.440	292.362
Sarasota	6.089	0.291	1.124	25.350	0.988	7.877	41.719	32.485	48.854
Sumter	9.671	0.348	33.543	4.613	5.102	2.777	56.054	4.103	55.544
Total	<u>544.147</u>	<u>74.157</u>	<u>107.408</u>	<u>517.968</u>	<u>50.615</u>	<u>67.261</u>	<u>1361.556</u>	<u>506.953</u>	<u>1350.541</u>

- Notes: (1) The data is for that portion of the county located with the District boundaries (Partial counties indicated by an "*").
(2) Total (Withdrawal) - The sum of the preceding six columns and represents total water withdrawal by county for all categories.
(3) 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.
(4) Total (Use) - "Total (Withdrawal)" minus "Public Supply (Withdrawal)" plus "Public Supply (Use)" and represents consumptive use of publicly supplied water in the county.

Source: 1999 Estimated Water Use Report, District, November 2001.

**Southwest Florida Water Management District
Schedule Of Insurance In Force
September 30, 2001**

<u>Policy Expiration Date</u>	<u>Types Of Coverage</u>	<u>Company</u>	<u>Policy Number</u>	<u>Annual Premium</u>	<u>Limits Of Coverage</u>	<u>Deductible</u>
10/01/01	Property	Hartford	21UUNQH4778	\$162,882	\$80,953,063 Blanket All Risk Flood-\$5,000,000 Extra Expense \$475,000	\$2,500 per occurrence \$25,000 N/A
	*Water Control Structures			incl.	(\$51,978,000 incl.)	\$10,000
	*SPICE (Special Property Endorsement)			incl.	Various extension of coverage	
10/01/01	Inland Marine	Hartford	21UUNQH4778	19,015		
	*Boat			incl.	Physical Damage: \$160,047	\$500
	*Contractor's Equipment			incl.	\$2,720,569 (Scheduled Equipment) \$100,000 Rented Equipment \$183,370 (Unscheduled Equipment)	\$500 \$500 \$1,000
	*Radio/Tower/Equipment			incl.	\$10,412	\$1,000
	*Electronic Data Processing			incl.	\$14,278,683 Extra Expense-\$500,000	\$1,000 all losses \$10,000 Breakdown
	*Valuable Papers & Records			incl.	\$6,800,000	\$2,500
10/01/01	Boiler & Machinery	Hartford	21UUNQH4778	incl.	\$10,000,000	\$1,000
09/29/01	Flood	Bankers	090007377893-05 090007377895-05	1,698 1,698	\$500,000 Bldg/\$500,000 Contents Tampa Bldg 1 and TDC Only	\$500 Bldg/\$500 Contents
10/01/01	General Liability	Twin City Fire	21CESQH2022-P1	60,295	\$1M Occurrence \$1M Aggregate	N/A
	*Law Enforcement Liability			11,045	\$1,000,000/\$1,000,000	\$5,000/occurrence
10/01/01	Auto	Hartford	21UUNQH4778	75,523	Liability \$1M per accident CSL Physical Damage/Vehicles >\$25,000	N/A \$1,000
10/01/01	Public Officials and Employees Liability	Hartford	21CLSQH2900	38,430	\$1,000,000/\$1,000,000	\$25,000 per occurrence
08/26/01	Petroleum Liability	Commerce & Industry	FLP7511732	885	\$1M Occurrence \$2M Aggregate	\$500 Third Party \$300,000 Corr. Action
10/01/01	Crime	Hartford	21UUNQH4778	incl.	\$100,000 Emp/\$1,000,000 (3 positions)	\$1,000
			Subtotal	\$371,471		
10/01/01	Self-Insured Workers' Compensation (Claims Paid FY 2001)	RSKCo	-----	96,719	\$200,000 Budgeted for Medical/Indemnity/expenses	
10/01/01	Excess Insurance	Hartford	21XSTQX0682S6	27,704	\$350,000 SIR/Statutory limits	\$350,000 SIR
09/30/01	Service Fee	RSKCo	-----	24,782	Administration Charge (Based on total # claims)	
09/30/01	State Assessment	Dept. of Labor/Div. WC	-----	41,263	Self-Insurer Assessment	
			Subtotal	\$190,468		
			Total	\$561,939		

Source: Records of the Southwest Florida Water Management District Risk Manager

**Southwest Florida Water Management District
Miscellaneous Statistical Data
September 30, 2001**

<u>Highest Total Water Use By County (MGD)</u>			<u>Highest Total Population By County</u>		
	<u>Total Usage</u>	<u>% Of District</u>		<u>Total Population</u>	<u>% Of District</u>
Polk County	292.362	21.65%	Hillsborough County	998,948	25.07%
Hillsborough County	245.780	18.20%	Pinellas County	921,482	23.13%
Manatee County	139.473	10.33%	Polk County	466,503	11.71%
Pinellas County	123.908	9.17%	Pasco County	344,765	8.65%
Desoto County	78.952	5.85%	Sarasota County	325,957	8.18%
	<u>880.475</u>	<u>65.20%</u>		<u>3,057,655</u>	<u>76.74%</u>

Population Projections

	<u>District Green Swamp</u>	<u>Alafia River Basin</u>	<u>Hillsborough River Basin</u>	<u>Northwest Hillsborough Basin</u>	<u>Coastal Rivers Basin</u>	<u>Pinellas- Anclote River Basin</u>	<u>Withlacoochee River Basin</u>	<u>Peace River Basin</u>	<u>Manasota Basin</u>	<u>Total SWFWMD</u>
1999	33,467	157,703	637,614	227,363	312,966	946,469	269,798	695,566	574,200	3,855,146
2005	36,703	171,851	695,055	247,761	348,691	982,751	308,319	764,082	630,100	4,185,313
2010	39,276	183,212	741,189	264,140	377,591	1,011,657	339,505	817,620	674,100	4,448,290
2020	44,675	207,140	838,368	298,638	436,736	1,072,764	401,974	929,982	766,700	4,996,977

OTHER MISCELLANEOUS STATISTICS

Date of Incorporation	July 1, 1961
District Headquarters	Brooksville, Florida-Hernando County
Satellite Offices	Tampa, Bartow, Sarasota, Lecanto
Employees	735
Area	9,659 square miles
Maximum Tax Levy-District	.50 PER \$1000 of assessed property value
Maximum Tax Levy-Basins	.50 PER \$1000 of assessed property value
Issued During Fiscal Year 2001:	
Water Use Permits	698
Management of Surface Water Permits/Noticed General	23
Management of Surface Water Permits/Non-Noticed General	180
Wetland Resource Permits/Dredge & Fill Permits	2
Environmental Resource Permits	2,132
Well Construction Permits	11,776
Average Rainfall	50-55 Inches per year
Elevation Range	0-300 feet above mean sea level



Supplementary Financial Statements

**Independent Auditors' Report on Compliance
and on Internal Control Over Financial Reporting
Based on an Audit of Financial Statements Performed
in Accordance With *Government Auditing Standards***

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

We have audited the basic financial statements of the Southwest Florida Water Management District, a component unit of the State of Florida, as of and for the year ended September 30, 2001, and have issued our report thereon dated December 28, 2001. 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.

Compliance

As part of obtaining reasonable assurance about whether the Southwest Florida Water Management District's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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 that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Southwest Florida Water Management District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide assurance on internal control over financial reporting. Our consideration of internal control over financial reporting would not necessarily disclose all matters in internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over financial reporting and its operation that we consider to be material weaknesses.

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

KPMG LLP

December 28, 2001

**Independent Auditors' Report on
Compliance and Internal Control Over
Compliance Applicable to Each Major Federal Awards Program
and State Financial Assistance Project**

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

Compliance

We have audited the compliance of the Southwest Florida Water Management 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 are applicable to each of its major federal awards programs and state financial assistance projects for the year ended September 30, 2001. The Southwest Florida Water Management District's major federal awards programs and state financial assistance projects are identified in the summary of auditors' 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 awards programs and state financial assistance projects is the responsibility of the Southwest Florida Water Management District's management. Our responsibility is to express an opinion on the Southwest Florida Water Management 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, *Rules of the Auditor General* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal awards program or state financial assistance project occurred. An audit includes examining, on a test basis, evidence about the Southwest Florida Water Management District's compliance with those requirements and performing such other procedures as we consider 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 Southwest Florida Water Management District's compliance with those requirements.

In our opinion, the Southwest Florida Water Management District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal awards programs and state financial assistance projects for the year ended September 30, 2001.

Internal Control Over Compliance

The management of the Southwest Florida Water Management District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal awards programs and state financial assistance projects. In planning and performing our audit, we considered the Southwest Florida Water Management District's internal control over compliance with requirements that could have a direct and material effect on a major federal awards program or state financial assistance 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, *Rules of the Auditor General*.

Our consideration of internal control over compliance would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal awards program or state financial assistance project being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over compliance and its operation that we consider to be material weaknesses.

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

KPMG LLP

December 28, 2001

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

Schedule of Expenditures of Federal Awards and State Financial Assistance

Year ended September 30, 2001

<u>Federal/State Grantor/Pass Through Grantor</u>	<u>CFDA, CSFA number</u>	<u>Award Amount</u>	<u>Grant ID #</u>	<u>Expenditures</u>
<u>Environmental Protection Agency</u>				
<i>Direct Programs:</i>				
Water Pollution Control - State and Local Interstate Program Support:				
Ambient Monitoring Network	66.419	\$ 108,654	GW194	\$ 108,654
Ambient Monitoring Network	66.419	160,686	GW194	<u>35,573</u>
Total program				<u>144,227</u>
Water Quality Management Planning:				
Ambient Monitoring of Surface Water	66.454	51,894	GW200	<u>52,823</u>
Cockroach Bay Grant Program	66.459	155,407	WM539	<u>8,104</u>
<i>Passed through Florida Department of Environmental Protection:</i>				
Nonpoint Source Implementation Grants:				
Florida Aquarium Parking Lot Stormwater Management	66.460	196,996	WM662	36,165
Stormwater Management Alternatives Demonstration	66.460	181,575	WM716	47,914
Largo Regional Stormwater Treatment Facility	66.460	565,086	WM738	535,240
Cockroach Bay Stormwater Project Phase II	66.460	77,455	WM789	20,075
Broadway Outfall Stormwater Retrofit Project	66.460	342,560	WM793	<u>133,185</u>
Total program				<u>772,579</u>
Total Environmental Protection Agency				<u>977,733</u>
<u>Federal Emergency Management Agency</u>				
<i>Passed through Florida Department of Community Affairs:</i>				
Disaster Housing Program:				
Disaster Relief Funding Agreement	83.545	366,406	98RMM913	<u>84,848</u>
Total Federal Emergency Management Agency				<u>84,848</u>
<u>U.S. Fish and Wildlife Service</u>				
<i>Passed through Florida Department of Environmental Protection:</i>				
Coastal Wetlands Planning, Protection and Restoration Act:				
Wolf Branch Creek and Clam Bayou	15.614	1,100,000	SP513	<u>481,674</u>
Total U.S. Fish and Wildlife Service				<u>481,674</u>
<u>U.S. Army Corps of Engineers</u>				
<i>Direct Program:</i>				
Flood Control Project	12.106	N/A	DACW-17-82-H-003	18,390
Aquatic Plant Management Control	12.107	100,000	AP182	<u>89,727</u>
Total U.S. Army Corps of Engineers				<u>108,117</u>
Total Expenditures of Federal Awards				<u>\$ 1,652,372</u>

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued)

Year ended September 30, 2001

<u>Federal/State Grantor/Pass Through Grantor</u>	<u>CFDA, CSFA number</u>	<u>Grant ID #</u>	<u>Expenditures</u>
<u>Department of Community Affairs</u>			
Disaster Relief Funding Agreement	N/A	0016-168	\$ 13,877
Total Department of Community Affairs			<u>13,877</u>
<u>Department of Environmental Protection</u>			
Water Management Districts - Land Acquisition:			
Save Our Rivers - Ancillary Cost	37.022	N/A	1,220,389
Save Our Rivers - Preacquisition Cost	37.022	N/A	211,804
Save Our Rivers - Land Management	37.022	N/A	2,123,214
Save Our Rivers - Land Acquisition	37.022	N/A	16,985
Florida Preservation Trust Fund 2000	37.022	N/A	41,353,382
Florida Forever-Land Acquisition - Annugtteliga	37.022	N/A	70,433
Total program			<u>44,996,207</u>
Water Management District Permitting Assistance:			
Agreement for Implementation of Permitting Requirements	37.030	GW163	128,000
Statewide Surface Water Restoration and Wastewater Projects:			
SWIM Trust Fund - Ecosystem	37.039	N/A	992,390
SWIM - Water Management Lands Trust Fund	37.039	N/A	989,922
SWIM - Wolf Branch Creek Habitat Restoration Project	37.039	SP421	118,954
Lake Panasoffkee Restoration Project	37.039	SP537	503,954
Total program			<u>2,605,220</u>
Inglis Dam and Spillway	N/A	GW108	20,125
Total Department of Environmental Protection			<u>47,749,552</u>
<u>Department of Transportation</u>			
DOT Mitigation Projects	37.020	N/A	959,037
McKay Bay Detention Pond Retrofit	N/A	N/A	25,150
Total Department of Transportation			<u>984,187</u>
<u>Other</u>			
Kitchen Preserve (Davis Tract) Restoration - Gardinier Settlement Trust	N/A	SP464	24,642
Total Other			<u>24,642</u>
Total State Financial Assistance			<u>\$ 48,772,258</u>

N/A - Program has no associated CSFA number and therefore is not subject to Florida single audit.

See accompanying notes to schedule of expenditures of federal awards and state financial assistance.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

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

Year ended September 30, 2001

(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 State, 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, 2001

(1) Summary of Auditors' Results

- | | | |
|-----|---|---------------------|
| (a) | The type of report issued on the financial statements: | Unqualified |
| (b) | Reportable conditions in internal control were disclosed by the audit of the financial statements: | None reported |
| | Material weaknesses: | No |
| (c) | Noncompliance which is material to the financial statements: | No |
| (d) | Reportable conditions in internal control over major federal awards programs and state financial assistance projects: | None reported |
| | Material weaknesses: | No |
| (e) | The type of report issued on compliance for major federal awards programs and state financial assistance 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 programs/projects tested are as follows: | |
| | Federal Program: | |
| | Water Pollution Control – State and Interstate Program Support | 66.419 |
| | Nonpoint Source Implementation Grants | 66.460 |
| | State Project: | |
| | Water Management District – Land Acquisition | 37.022 |
| | Statewide Surface Water Restoration and Wastewater Projects | 37.039 |
| (h) | Dollar threshold used to distinguish between Type A and Type B programs/projects: | \$300,000 |
| (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 Awards Programs: None

(4) Findings and Questioned Costs Relating to State Financial Assistance Projects: None



Management Letter

Management Letter

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

We have audited the basic financial statements of the Southwest Florida Water Management District, a component unit of the State of Florida, as of and for the year ended September 30, 2001, and have issued our report thereon dated December 28, 2001.

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 report dated December 28, 2001, on our consideration of the Southwest Florida Water Management District's internal control over financial reporting on compliance and internal control over compliance applicable to each major federal awards program and state financial assistance project, and the related schedule of findings and questioned costs. Disclosures in those reports and schedule 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 governmental 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)(g)(1) require that, unless otherwise required to be reported in the auditors' report on compliance and internal controls or in the schedule of findings and questioned costs, a management letter shall include: (a) a statement as to whether or not inaccuracies, shortages, defalcations, fraud and violations of laws, rules, regulations, and contractual provisions reported in the preceding annual financial audit report have been corrected, and (b) a statement as to whether or not recommendations made in the preceding annual financial audit report have been followed. There were no inaccuracies, shortages, defalcations, fraud or violations of laws, rules, regulations, or contractual provisions reported in the preceding annual financial audit. Additionally, there were no recommendations made in the preceding annual financial audit.

The *Rules of the Auditor General*, Section 10.554(1)(g)(2) require that we determine whether or not the Southwest Florida Water Management District complied with Section 218.415, *Florida Statutes*, regarding the investment of public funds. The Southwest Florida Water Management District was in compliance with Section 218.415, *Florida Statutes* as it relates to the investment of public funds.

The *Rules of the Auditor General*, Section 10.554(1)(g)(3) require that we report any recommendations to improve the Southwest Florida Water Management District's financial management, accounting procedures, and internal controls. There were no recommendations to improve the Southwest Florida Water Management District's financial management, accounting procedures, and internal controls.

The *Rules of the Auditor General*, Section 10.554(1)(g)(4) state that, if not already reported in the auditors' report on compliance and internal controls or in the schedule of findings and questioned costs, the management letter include:

- (a) Violations of laws, rules, regulations, and contractual provisions that have occurred, or are likely to have occurred, and were discovered within the scope of the audit.
- (b) Improper or illegal expenditures discovered within the scope of the audit that may or may not materially affect the financial statements.
- (c) Other matters requiring correction that may or may not materially affect the financial statements reported on, including, but not limited to:
 - 1) Improper or inadequate accounting procedures (i.e., the omission of required disclosures from the annual financial statements).
 - 2) Failures to properly record financial transactions.
 - 3) Other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention, of the auditor.

The results of our audit disclosed no violations of laws, rules, regulations, or contractual provisions, no improper or illegal expenditures, or other matters requiring correction.

The *Rules of the Auditor General* Section 10.554(1)(g)(5) also require that we report on the Southwest Florida Water Management District's name or official title and legal authority. In that regard, the Southwest Florida Water Management District was established by Chapter 373 of the *Florida Statutes*.

The *Rules of the Auditor General* Section 10.554(1)(g)(6)(a) state that a management letter shall include a statement as to whether or not the local governmental entity is in a state of financial emergency as a consequence of conditions described in Section 218.503(1), *Florida Statutes*. Section 218.503(1) states that a local governmental entity is in a state of financial emergency when any of the following conditions occur:

- (a) Failure, within the same fiscal year in which due, to pay short-term loans from banks or failure to make bond debt service payments when due;
- (b) Failure to transfer at the appropriate time, due to lack of funds: (1) taxes withheld on the income of employees; or (2) employer and employee contributions for a) federal social security, or b) any pension, retirement or benefit plan of an employee;
- (c) Failure for any one pay period to pay, due to lack of funds: (1) wages and salaries owed to employees; or (2) retirement benefits owed to former employees;
- (d) An unreserved or total fund balance or retained earnings deficit for which sufficient resources of the local government entity are not available to cover the deficit for two successive years; and
- (e) Noncompliance of the local government retirement system with actuarial conditions provided by law.

Management of the Southwest Florida Water Management District has determined that the Southwest Florida Water Management District is not in a state of financial emergency as defined in Section 218.503(1). In connection with our audit of the basic financial statements of the Southwest Florida Water Management District, the results of our tests did not indicate that the Southwest Florida Water Management District is in a state of financial emergency as a consequence of the conditions in Section 218.503(1).

Section 11.45, *Florida Statutes*, states that an auditor shall notify each member of the governing body of a local government entity for which deteriorating financial conditions exist which may cause a condition described in Section 218.503(1) to occur if actions are not taken to address such conditions. Management of the Southwest Florida Water Management District has determined that deteriorating financial conditions do not exist which could cause a condition described in Section 218.503(1) to occur if actions are not taken to address such conditions.

As required by the *Rules of the Auditor General*, Section 10.554(1)(g)(6)(b), we determined that the financial report filed by the Southwest Florida Water Management District with the Florida Department of Banking and Finance pursuant to Section 218.32(1)(a), *Florida Statutes* is in agreement with the annual financial audit for the current audit period.

The *Rules of the Auditor General*, Section 10.554(1)(g)(6)(c), require that we provide the following information regarding our application of financial condition assessment procedures pursuant to Rule 10.556(8):

- (1) We applied financial condition assessment procedures pursuant to Rule 10.556(8)
- (2) We did not identify deteriorating conditions.

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This report is intended solely for the information and use of the Governing Board and management of the Southwest Florida Water Management District, 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

December 28, 2001