

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

*Fiscal Year Ended September 30, 2003*



**Southwest Florida**  
*Water Management District*



*A Component Unit of the State of Florida*

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

*Fiscal Year Ended September 30, 2003*

*Prepared by: Finance Department*

Southwest Florida  
*Water Management District*



*A Component Unit of the State of Florida*

**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; flood protection and control; water quality improvement, data collection and analysis; 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.

**Southwest Florida Water Management District  
Comprehensive Annual Financial Report  
Fiscal Year Ended September 30, 2003**

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# Introductory Section

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

February 24, 2004

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, 2003, 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; basic financial statements; and other supplementary information.

GAAP requires 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 the 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.

- **Single Audit**, including: Independent Auditors' report on compliance and on internal control over financial reporting; Independent Auditors' report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with OMB Circular A-133; 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 quarter 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 of the District by the Florida Legislature. As delegated by the Florida Department of Environmental Protection (DEP), the District now authorizes permits for consumptive use of water, well construction, surface water management, and the protection of wetlands. Water supply, water resources development, and water quality are major concerns, and most projects with local, state and federal funding partners focus on ensuring adequate 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 subject to confirmation by the Florida Senate, and authorizes tax levies and general fund and Basin budgets subject to review by the Governor. Each member is appointed by the Governor and confirmed by the Florida Senate. District Governing Board members serve four-year terms, are eligible for reappointment, and serve as unpaid citizen volunteers. One or more Governing Board members also serve in an ex officio role on each of the District's eight Basin Boards.

Unique to the Southwest Florida Water Management District, 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 terms, are eligible for reappointment, and serve as unpaid citizen volunteers. They offer a localized perspective to water management and make statutorily required recommendations and decisions. Because of its Districtwide hydrologic significance, the District Governing Board oversees activities in a ninth watershed area, the Green Swamp Basin.

The annual budget serves as the foundation for the District's financial planning and control. The Truth-in-Millage (TRIM) Act enacted by state legislation requires disclosures of information regarding tax millage and budget adoption. Each year, following the required disclosures and the conduct of hearings for taxpayer comment, the Governing Board sets the tax rates and adopts a budget in September. The appropriated budget is prepared by fund, department and activity. The Governing Board delegates authority to the Executive director to execute transfers of budgeted funds not to exceed \$50,000. Delegated transfers are presented to the Governing Board for approval at the next



regular scheduled meeting. All transfers of funds from the General fund contingency accounts and all other transfers exceeding \$50,000 require prior Governing or Basin Board approval. All transfers approved by Basin Boards are reported to the Governing Board for ratification. Budget-to-actual comparisons are provided in this report for all governmental funds. For the general fund and the special revenue funds, the comparisons are presented as part of the basic financial statements, starting on page 13. Budget-to-actual comparisons for the District's capital projects are presented as other supplementary information, pages 47 and 48.

The District is authorized by the Florida Constitution and Florida State Statutes to fund its general operations from ad valorem property taxes. The District Governing Board may levy up to one-half mill for the general 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 and contracts with the federal, state and local governments, and private sector organizations.

### **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, 2003, will be incorporated into the State of Florida financial statements for the state's fiscal year ending June 30, 2004, 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.**<sup>1</sup> As has been the case in the last few years, the economy of the counties in the District is outperforming the state as a whole in the short term, in spite of a slower population growth rate. District county permanent population is expected to increase 3.2 percent between 2003 and 2005 while the population of Florida is expected to grow 3.4 percent during the same period. Total employment for counties in the District is projected to grow 3.9 percent between 2003 and 2005 versus 3.7 percent for the state as a whole. This higher pace of growth is expected to hold for both non-agricultural and agricultural/other natural resource-related sectors. The counties with the highest projected growth in total employment between 2003 and 2005 are expected to be Manatee (6.94 percent), Charlotte (6.32 percent), and Hernando (6.01 percent). The District's slower population growth rate combined with faster employment growth may be contributing to real per capita income in the District increasing 2.7 percent between 2003 and 2005 versus 2.3 percent for the state.

Among non-agricultural sectors, services are the fastest growing sector and will lead all others with a 5.5 percent increase in employment between 2003 and 2005 in the District counties versus 5.1 percent for Florida and 3.7 percent for the nation. The District will also outpace the state and national averages in job growth in the region's second fastest growing sector - construction. Construction employment in the District counties will increase 3.6 percent between 2003 and 2005 versus 3.4 percent for Florida and 2.6 percent for the nation. The region's economy will also outpace the state and the nation in both mining and manufacturing short-term job growth. The projected District county growth in manufacturing

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<sup>1</sup> Except as noted, all data are based on countywide data and are derived from, Woods and Poole Economics. 2003 State Profile: State and County Projections to 2025.

employment is projected to be more than three times that of the nation as a whole (1.0 percent versus 0.3 percent).

Agriculture also plays a large and moderating role in the region's economy. Although employment growth is slower in agriculture than in other sectors, on-farm employment in the District is expected to grow 0.4 percent between 2003 and 2005 versus a loss of 0.1 percent in the state as a whole. Counties with the highest farm employment growth are expected to be Charlotte (3.4 percent), Manatee (2.8 percent), and Desoto (2.7 percent). Much of the increase in at least Charlotte and Desoto counties may be due to the on-going migration of citrus production from the Lake Wales Ridge to the southwest production area. When looking at combined farm, agricultural services, forestry and commercial fishing employment, the District county growth in employment is projected to be 2.3 percent between 2003 and 2005 versus 1.6 percent for the state.

Citrus and Vegetables are two of the predominant crop groups in the District and the vast majority of citrus acreage in the District is dedicated to oranges processed for juice. While there is expected to be a significant decrease in Brazilian orange juice production and supply in the 2003-2004 season due to dry conditions, Florida is expected to produce a record for-processed orange crop<sup>2</sup>. The impact of the record crop is expected to overwhelm the impact of reduced Brazilian production and 2003-2004 Florida on-tree prices for processed oranges are expected to decline significantly. The record production will make up somewhat for the lower prices. Processed orange revenue is expected to decline from \$619.2 million in 2002-2003 to \$616.8 million in 2003-2004.

Since cessation of regional vegetable acreage and price reporting by the Florida Agricultural Statistics Service, there have been no comprehensive data on vegetable trends in the District. In general, only statewide data are available. While there was a slight dip in fall and winter tomato acreage statewide from 2002 to 2003, acreage has remained fairly steady over the last few years. This may be, in part, due to the floor price system that has been implemented to prevent dumping of imported Mexican tomatoes at below cost. Demand for tomatoes has been strong as well - with a record high U.S. per capita consumption of 18.3 pounds in 2002. Regarding vegetables in general, U.S. per capita consumption of fresh produce overall increased 12 percent during 1987-1997<sup>3</sup>. Another potential bright spot on the horizon for District growers will be produce country-of-origin labeling that is being implemented by the U.S. Department of Agriculture. To what extent customers will choose U.S. produce over the produce of other countries is not known. But the impact of labeling, if any, would likely be positive. While demand for vegetables continues to increase and some protection and consumer education programs may help, the bottom line for vegetable producers is that they are in a very competitive international market that is likely to stifle significant growth in acreage or income for the near term.

In summary, the non-agricultural economy of the region is expected to fare quite well in comparison to the state, as a whole, and the nation. The agricultural sector in the District, while still facing an uncertain future, continues to hold its own and is expected to experience modest growth in employment, as opposed to a predicted decline for the state overall. The relatively good expected performance of the District regional economy and recent improvements in the national economic indicators should bode well for the region's ability to finance necessary water resource-related projects.

**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 Services. Long-term financial planning, as well as strategic direction, is provided by the District Water Management Plan (2001), a matching financial strategic plan (financial engine) through

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<sup>2</sup> Citrus crop and value projections are derived from, Florida Department of Citrus. Florida Citrus Outlook: 2003-04 Season.

<sup>3</sup> Vegetable statistics are derived from: Wysocki, Allen and John VanSickle. "Vegetable Situation and Outlook for Southeast Agriculture." Presented at 2003 International Agricultural Trade Policy Center Trade Conference. Available at: [www.fred.ifas.ufl.edu/iatpc/fre/conference/presentations2003](http://www.fred.ifas.ufl.edu/iatpc/fre/conference/presentations2003).

2020, and annual development of a Program Budget and Five-Year Capital Improvement Plan that connects planning and program budgeting.

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 (RWSP, August 2001), which is updated every five years (next update will occur in 2005 with projections through 2025), 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, has been completed, is in progress, or is programmed (meaning that the funding mechanisms are in place). The remaining 217 mgd through 2020, at a projected cost of \$1.3 billion, has 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. Consistent with the RWSP financial engine, the fiscal year 2004 combined District budget includes \$40.3 million for Water Supply and Resource Development projects and 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 conservation programs and new sustainable water supplies for both Northern Tampa Bay and the Southern Water Use Caution Areas.

**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 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 was 3.1 percent for fiscal year 2002 and 2.1 percent for fiscal year 2003. 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 to 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 \$500,000 per occurrence. Additional information on the District's risk management activities can be found in Note V.A on page 42 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 or less than 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.C on page 44 of the notes to the financial statements.

**Debt Administration.** The District continued to have no outstanding debt at the end of fiscal year 2003.

## Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended September 30, 2002. This was the fifteenth consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Sincere appreciation is extended to the many District employees who assisted with the preparation of this report, with special thanks to the employees of the Finance Department, especially the Accounting & Financial Reporting Section. Special recognition is due the Visual Communications section staff for the design of the cover and tabs, the Communications Department staff for assistance in drafting the Introductory Letter, and the Print Shop for producing the report. In closing, this report would not have been possible without the support and leadership of the District Governing Board, the District's Basin Boards and the District's Executive staff.

Sincerely,

A handwritten signature in cursive script, appearing to read "Daryl F. Pokrana".

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, 2002

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.

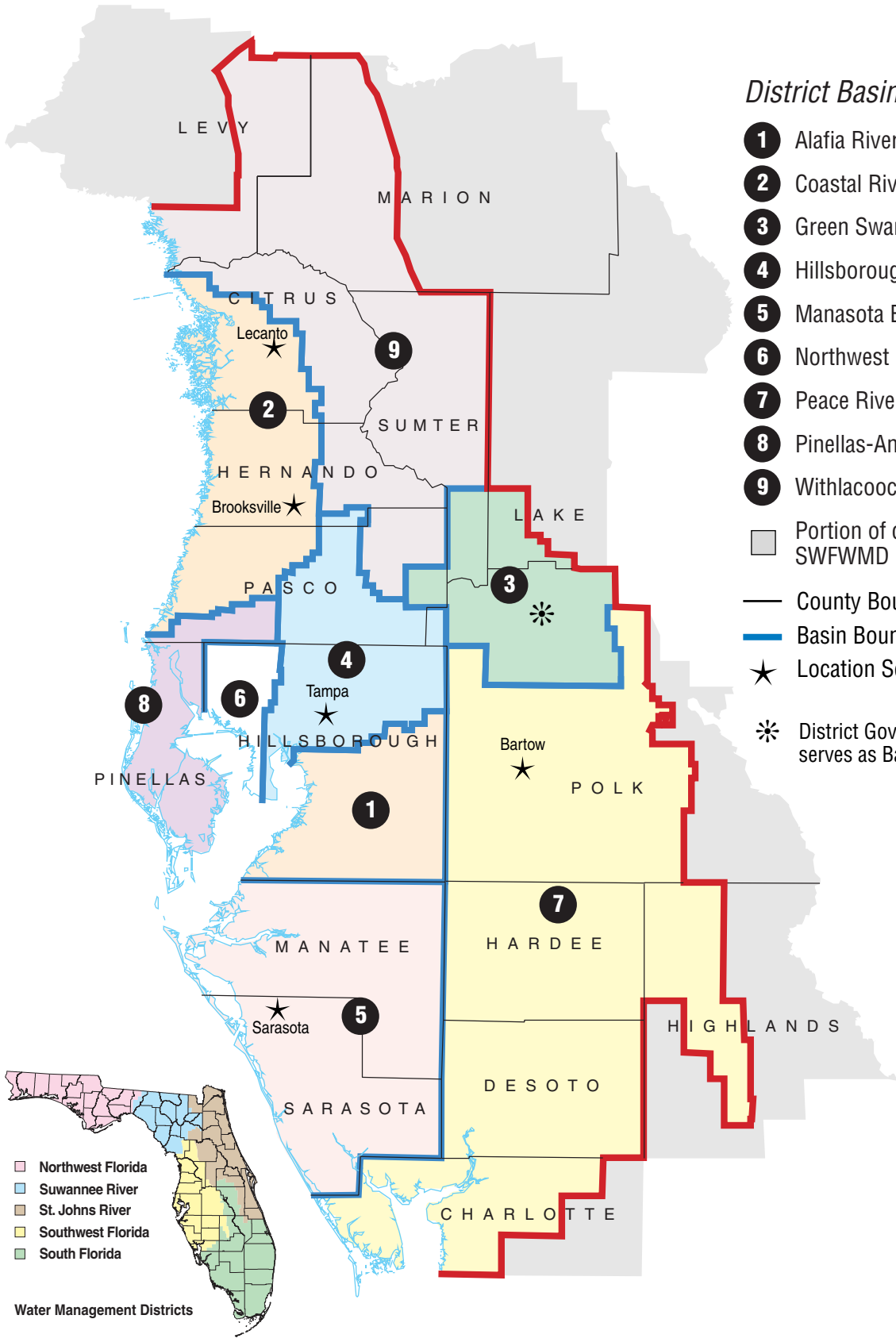


A handwritten signature in black ink, appearing to read "Edward Haney".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

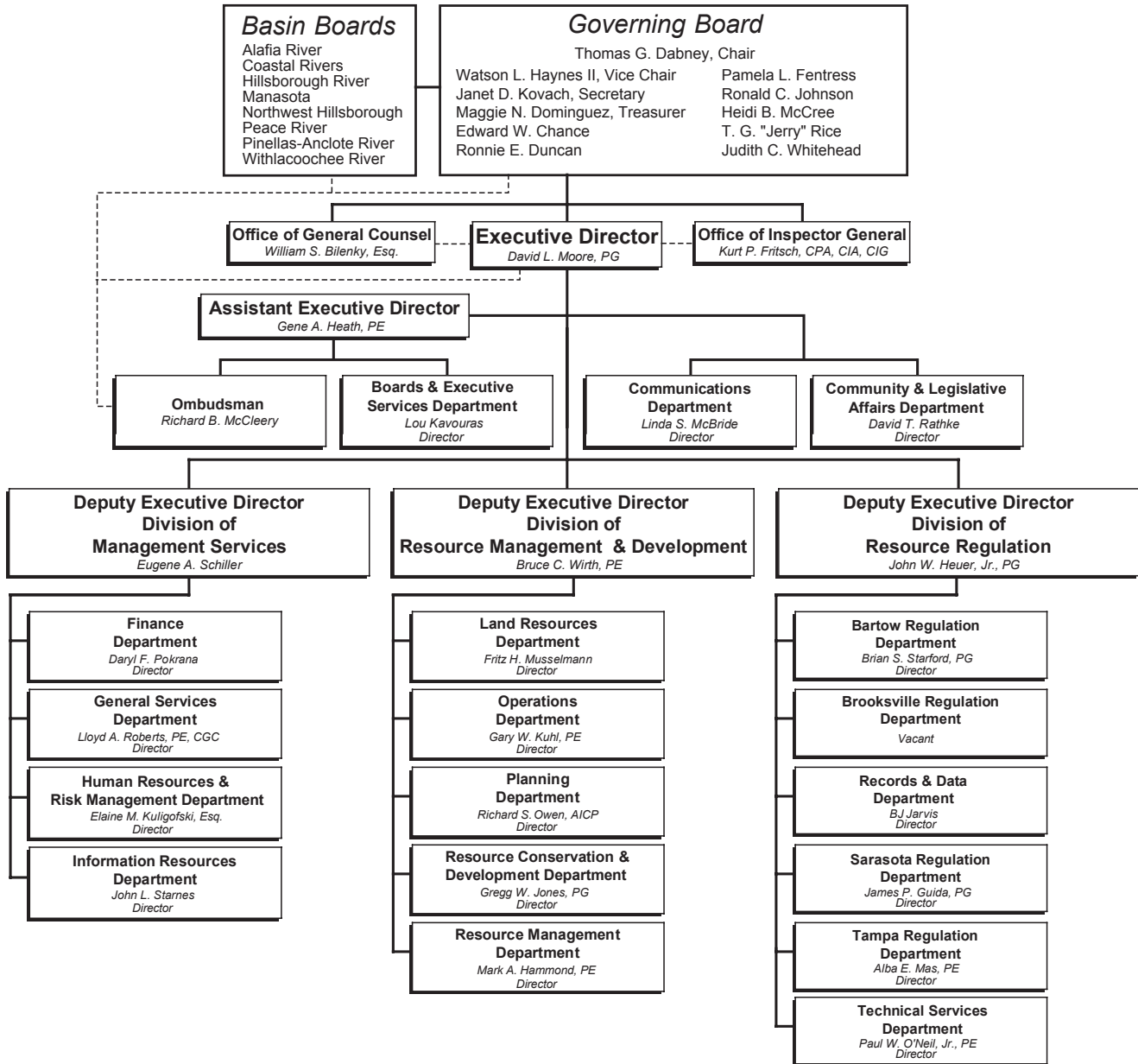


*District Basin Boards:*

- 1** Alafia River Basin
- 2** Coastal Rivers Basin
- 3** Green Swamp Basin
- 4** Hillsborough River Basin
- 5** Manasota Basin
- 6** Northwest Hillsborough Basin
- 7** Peace River Basin
- 8** Pinellas-Anclote River Basin
- 9** Withlacoochee River Basin
- Portion of county outside SWFWMD
- County Boundary
- ▬ Basin Boundary
- ★ Location Service Offices
- ✿ District Governing Board serves as Basin Board.

- Northwest Florida
- Suwannee River
- St. Johns River
- Southwest Florida
- South Florida

Water Management Districts



**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 Reporting..... Melisa Lowe  
Contracts Administration..... Steven Long  
Financial Systems..... Noel Pioszak  
Purchasing..... Malcolm Wilson

**Accounting & Financial Reporting Staff**

**Accounting**

Janet Thompson, Sr. Supervisor  
Sonja Grant  
Julie McClung  
Jennifer McDowell  
Kerri Meadors  
Tammy Nieves

**Financial Compliance**

Patrick Sevon, Supervisor  
Ann Kenny  
Jan Smith  
Melissa Williams

**Accounts Payable**

Karen Frazier, Supervisor  
Ellen Cuarta  
Alisha Robbins  
Mary Hrivnak  
Judy Misener  
Shelia Roush  
Sanita Savarese

**Property Administration**

Avery Bailey, Administrator  
Cindy Harris

**Administrative Supervisor**

Spring Aikens





# Financial Section

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



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

## Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities and each major fund of the Southwest Florida Water Management District (the District), a component unit of the State of Florida, as of and for the year ended September 30, 2003, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of September 30, 2003, and the respective changes in financial position thereof and the respective budgetary comparison for the general fund and each major special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2003 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 on pages 3 through 12 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required



part of the basic financial statements. The other supplementary 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 introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

KPMG LLP

December 17, 2003

## 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, 2003. 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 \$843 million. Of this amount, \$212.9 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 \$169.2 million and 2) pay claims associated with the District's Workers' Compensation Self-insurance Program estimated at \$0.7 million. The remaining net assets are earmarked for New Water Sources Initiative (NWSI) and Water Supply and Resource Development projects and funding for future years.
- The District's total net assets increased by \$62.1 million. This increase is primarily attributable to the investment in capital assets and to the Governing Board's designation of funds necessary to address long-term water supply and resource development needs consistent with the District's Regional Water Supply Plan.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$302.6 million, an increase of \$33.5 million in comparison with the prior year. Of this total amount, \$47.5 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, eleven special revenue funds and two 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 and 48 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.

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

## Government-wide Financial Analysis

The overall condition of the District improved in both fiscal years 2003 and 2002.

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 \$843 million. At September 30, 2003, the District reported positive balances in all three categories of net assets. The same situation held true for the prior fiscal year. The District's total net assets increased by \$62.1 million. The majority of the increase is attributable to the investment in capital assets and to the Governing Board's designation of funds necessary to address long-term water supply and resource development needs consistent with the District's Regional Water Supply Plan.

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

	Governmental activities	
	2003	2002
Current and other assets	\$ 338,136,810	\$ 298,253,376
Capital assets	544,800,181	515,929,344
Total assets	<u>882,936,991</u>	<u>814,182,720</u>
Current and other liabilities	34,775,426	28,428,055
Long-term liabilities outstanding	5,205,698	4,942,020
Total liabilities	<u>39,981,124</u>	<u>33,370,075</u>
Net assets:		
Invested in capital assets	544,800,181	515,929,344
Restricted	85,251,298	85,682,484
Unrestricted	212,904,388	179,200,817
Total net assets	<u>\$ 842,955,867</u>	<u>\$ 780,812,645</u>

By far the largest portion of the District's net assets in the amount of \$544.8 million (65 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, infrastructure). The District uses these capital assets to carry out its statutory responsibilities; consequently, these assets are not available for future spending.

Restricted net assets in the amount of \$85.3 million (10 percent) represent resources that are subject to external restrictions on how they may be used.

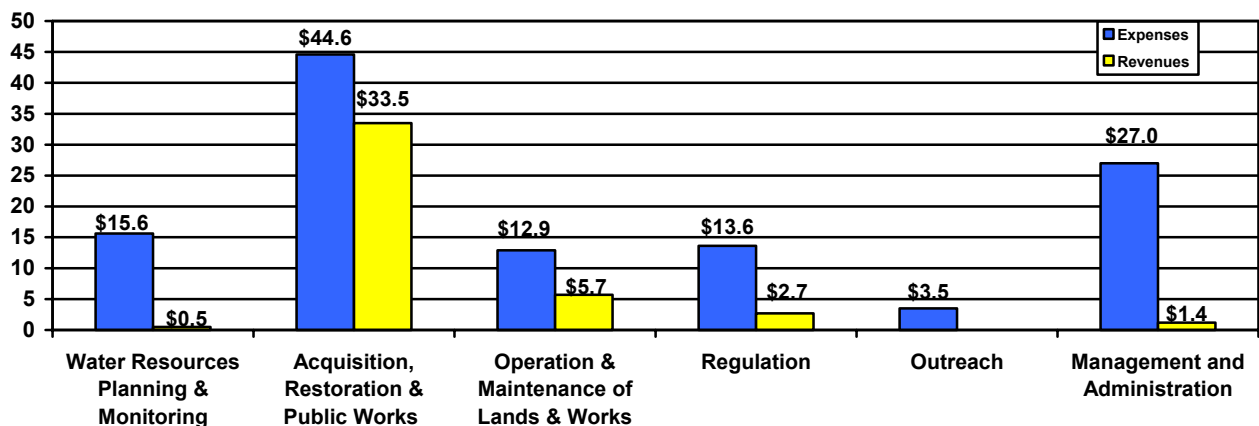
Unrestricted net assets in the amount of \$212.9 million (25 percent) may be used to meet the District's ongoing obligations to citizens and creditors. As noted earlier, it is the District's intent to use these assets to 1) liquidate contracts and purchase orders of the prior period in the amount of \$169.2 million and 2) to pay claims associated with the District's Workers' Compensation Self-insurance Program estimated at \$0.7 million based on an independent actuarial determination. The remaining funds are earmarked for New Water Sources Initiative (NWSI) and Water Supply and Resource Development projects and funding for future years.

**Governmental activities.** Governmental activities increased the District's net assets by \$62.1 million. Changes in key elements of this increase are as follows:

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

	Governmental Activities	
	2003	2002
Revenues:		
Program revenues:		
Charges for services	\$ 5,584,033	\$ 4,741,713
Operating grants and contributions	9,629,528	8,561,473
Capital grants and contributions	28,467,877	38,046,026
General revenues:		
Ad valorem property taxes	129,555,903	119,241,746
Unrestricted investment earnings	5,490,920	7,696,602
Other	595,722	114,596
Total Revenues	179,323,983	178,402,156
Expenses:		
Water Resources Planning & Monitoring	15,579,114	14,338,621
Acquisition, Restoration & Public Works	44,556,653	51,865,426
Operation & Maintenance of Lands & Works	12,900,859	12,316,549
Regulation	13,606,323	12,386,701
Outreach	3,527,078	2,948,200
Management and Administration	27,010,734	25,803,748
Total expenses	117,180,761	119,659,245
Change in net assets	62,143,222	58,742,911
Net assets - September 30, 2002	780,812,645	722,069,734
Net assets - September 30, 2003	\$ 842,955,867	\$ 780,812,645

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



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

## Revenues

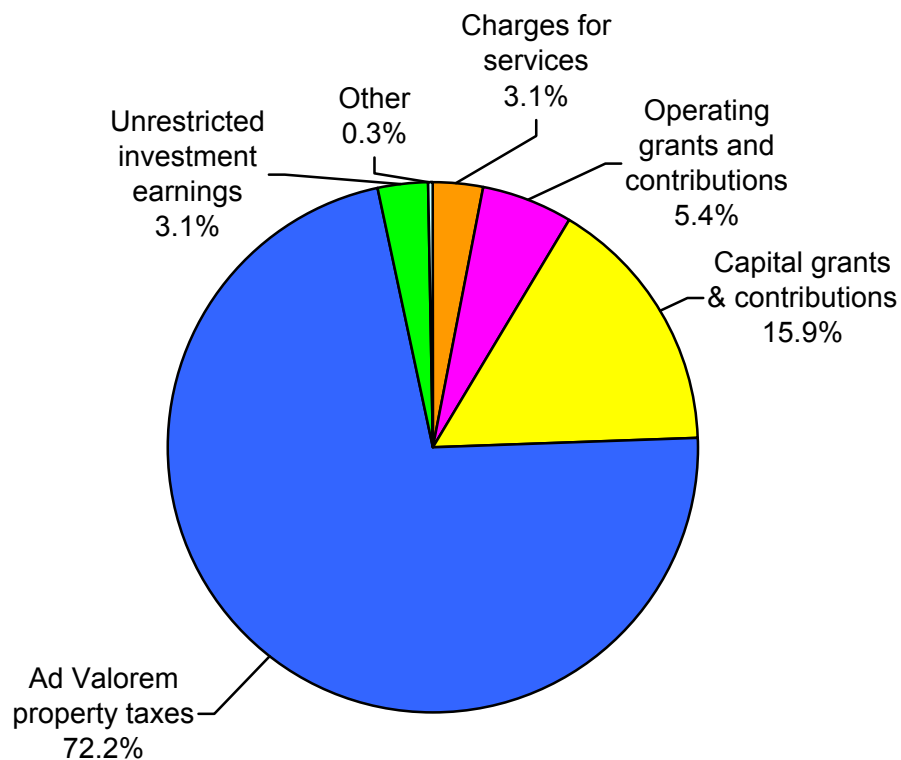
**Ad valorem property taxes** are the District's primary source of revenue. For fiscal year 2003, ad valorem property taxes increased \$10.3 million (8.6 percent) above fiscal year 2002. The General Fund Districtwide millage rate and seven of the eight Basin millage rates remained at the same levels as fiscal year 2002. The Withlacoochee River Basin decreased its millage rate from 0.295 to 0.265. The increase in ad valorem property tax revenues is due to higher property valuations resulting from resales, reassessments, and new construction throughout the District.

**Charges for services** increased by \$0.8 million (17.8 percent) above fiscal year 2002 due primarily to an increase in the number of environmental resource permits issued and an increase in services provided by the District for external entities (e.g., aerial maps, copying and certification, maintenance and operation of Inglis water control structure, management of aquatic weeds).

**Operating grants and contributions** increased by \$1.1 million (12.5 percent) above fiscal year 2002, due primarily to an increase in intergovernmental revenues received from the State Transportation Trust Fund for funding mitigation projects accounted for in the DOT Mitigation Fund; and from the Water Management Lands Trust Fund for funding land management and maintenance costs associated with the Save Our Rivers Program. In addition, during fiscal year 2003, the District received performance bond proceeds resulting from an enforcement action in which case the proceeds will be used by the District to complete the Serenova borrow pits restoration project.

**Capital grants and contributions** decreased by \$9.6 million (25.2 percent) below fiscal year 2002, due primarily to a reduction in the number of acres of land acquired in fiscal year 2003 as compared with fiscal year 2002. The Florida Department of Environmental Protection provided the majority of this revenue from the Florida Forever Trust Fund for land acquisition.

### FY2003 Revenues by Source – Governmental Activities





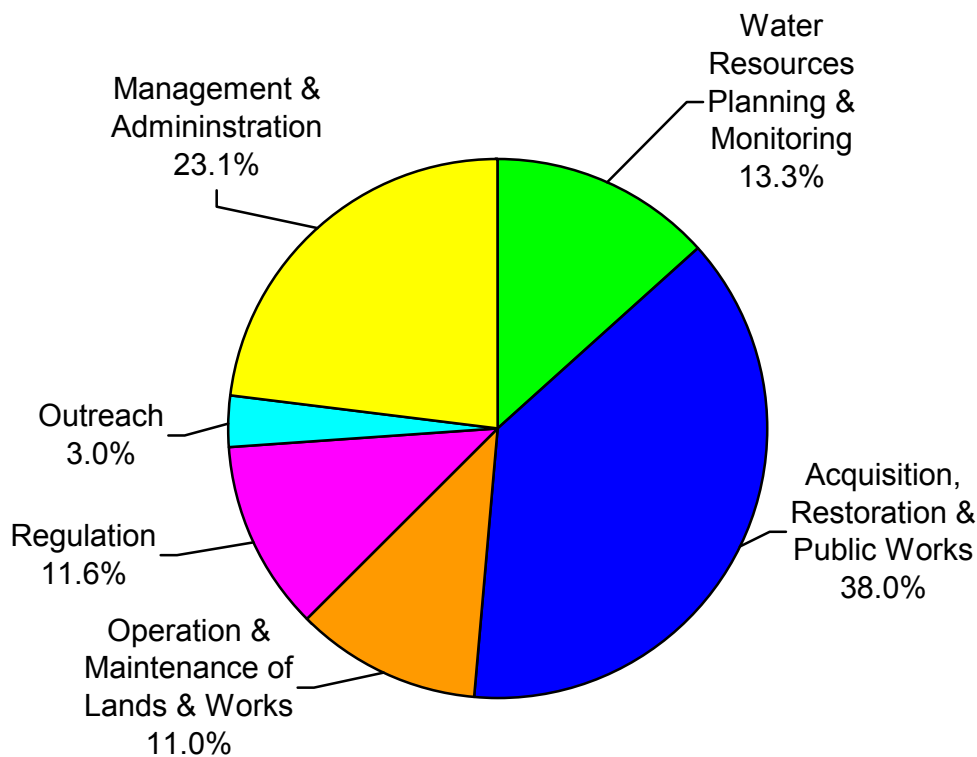
**Unrestricted investment earnings** decreased by \$2.2 million (28.7 percent) below fiscal year 2002 due to the current economic conditions and interest rates at historic low levels. The District received a 3.1 percent average yield on its investments during fiscal year 2002 compared with an average yield of 2.1 percent during fiscal year 2003.

**Other Revenues** increased by \$0.5 million (419.8 percent) in fiscal year 2003 above fiscal year 2002 due primarily to an increase in refunds of prior years expenses and the gain on sale of fixed assets.

**Expenses**

The District's **Acquisition, Restoration & Public Works** program expenses decreased \$7.3 million (14.1 percent) compared with fiscal year 2002, due primarily to a reduction in the number of acres of land acquired. During fiscal year 2002, the District acquired approximately 15,785 acres as compared to approximately 12,301 acres in fiscal year 2003. This includes land acquired through eminent domain proceedings for a major water supply development assistance project. The District's **Outreach** program expenses increased \$0.6 million (19.6 percent) compared with fiscal year 2002 due to several educational initiatives. During fiscal year 2003, a cooperative funding project was initiated for the development of a children's hands-on museum exhibit dealing with various environmental educational issues. Additionally, the District increased its funding for public service announcements used to educate the community and increased its funding for community education grants. Community education grants are grants offered to the general public, where the grantee meets certain criteria and is able to educate others within the community on the District's Areas of Responsibility.

**FY2003 Expenses by Program – Governmental Activities**



## Financial Analysis of the Government's Funds

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

**Governmental funds.** The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's funding requirements. In particular, 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, 2003, the District's governmental funds reported combined ending fund balances of \$302.6 million, an increase of \$33.5 million in comparison with the prior year. Unreserved fund balance totals \$47.5 million. This total includes deficit undesignated fund balances totaling \$39.6 million in the Withlacoochee River Basin, SWIM Program, DOT Mitigation and Save Our Rivers funds (see Note III.B, page 36). These balances 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 \$87 million available for spending at the District's discretion. Of this amount, the Governing Board has designated \$77.6 million for various purposes including the New Water Sources Initiative, Water Supply and Resource Development, and funding for the fiscal year 2004 budget. Reserved fund balance totals \$255.1 million and is reserved to indicate that it is not available for new spending because it has already been committed to 1) liquidate \$254.4 million in contracts and purchase orders of the prior period and 2) pay an estimated \$719,000 in estimated 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 \$56.9 million, while the total fund balance was \$81.4 million. As a measure of the general fund's liquidity, it may be useful to compare both the unreserved fund balance and the total fund balance to the total fund expenditures, which amounted to \$64.1 million. Unreserved fund balance represents 89 percent of the total general fund expenditures. Total fund balance represents 127 percent of the total general fund expenditures. The Governing Board has designated \$37.8 million for projects and reserves primarily for the New Water Sources Initiative and Water Supply and Resource Development, \$10.8 million as funding for the fiscal year 2004 budget, and \$0.6 million for the self-funded workers' compensation program. The remaining \$7.7 million is available to offset ad valorem property tax requirements as balance forward in future years.

### General Fund Budgetary Highlights

The District's General Fund budget was not amended during fiscal year 2003. Variances between budgeted revenues and the actual amounts collected were significant in two areas.

- The License and Permit Fees budget was \$2.1 million and actual revenues were \$2.6 million, resulting in a variance of \$0.5 million (21.6 percent). The variance was due primarily to ERP permit fees bringing in more revenue than budgeted. The District budgets license and permit fees based on historical data analysis. The number of license and permit requests exceeded the anticipated increase in volume.
- The Other Revenue budget was \$0.9 million and actual revenues were \$2.2 million, resulting in a variance of \$1.3 million (134.2 percent). This category encompasses the central garage revenues, sale of fixed assets, refund of prior year expenses, and timber revenue. While the District budgets for some of these categories (central garage and timber revenue), revenue that is less predictable is not included in the budget.

Variances between the budgeted expenditures for each program area and actual expenditures were significant in several program areas. Each program area includes a variety of projects, initiatives and reserves that are necessary to carry out the District's mission to preserve and protect the state's water resources (see Note I.D). The General Fund budget-to-actual variances are primarily due to encumbrances that exist at year-end for projects that are often multi-year, resulting in expenditures that do not always coincide with the budget period; and reserves established to fund various long-term programs or initiatives consistent with the Regional Water Supply Plan.

- The Water Resources Planning and Monitoring Program budget was \$14.4 million and actual expenditures were \$9.5 million, resulting in a variance of \$4.9 million (33.9 percent). The variance is primarily due to encumbrances of \$2.4 million for Minimum Flows and Levels and \$2.1 million for research, data collection, analysis & monitoring that remain at fiscal year-end.
- The Acquisition, Restoration and Public Works Program budget was \$49.5 million and actual expenditures were \$5.9 million, resulting in a variance of \$43.6 million (88 percent). This is primarily due to \$40.4 million encumbered (\$15.4 million) and designated (\$25 million) at year-end for New Water Sources Initiative projects (\$15.7 million) and Water Supply and Resource Development projects (\$24.7 million). This is consistent with the District's Regional Water Supply Plan through 2020 and its matching strategic financial resources plan.
- The Regulation Program budget was \$15.7 million and actual expenditures were \$13.5 million, resulting in a variance of \$2.2 million (14.1 percent). The variance is primarily due to encumbrances of \$1.7 million for water use, well construction, and surface water regulation projects that remain at fiscal year-end.
- The District Management and Administration Program budget was \$31.8 million and actual expenditures were \$26 million, resulting in a variance of \$5.8 million (18.4 percent). The variance is primarily due to: \$2.1 million of budgeted contingency reserves not required in fiscal year 2003, payroll expenditures that were \$0.1 million less than anticipated due to position vacancies and turnover; legal expenditures that were \$0.3 million less than anticipated due to less litigation filed against the District; commission expenditures that were \$0.5 million less than anticipated due primarily to the refund of excess commissions from county Property Appraisers and Tax Collectors; and printing expenditures that were \$0.1 million less than anticipated due to a decrease in printing services.

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

## Capital Assets

The District's investment in capital assets at September 30, 2003, amounted to \$544.8 million (net of accumulated depreciation). This investment in capital assets includes land, land interests, buildings, machinery and equipment, infrastructure, construction in progress and other capital assets.

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

- Land acquisition costs (not including ancillary costs) totaled \$26.1 million. Acquisitions were funded from the Florida Forever (FF), Preservation 2000 (P2000), and Water Management Lands (WML) Trust Funds. 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 2003:

Connerton-Pasco1 project: \$9.8 million, funded by the FF Trust Fund.

Lake Panasoffkee project: \$6 million, funded by the WML Trust Fund.

Alafia River Corridor project: \$4.8 million, funded by both the FF and P2000 Trust Funds.

Myakka River project: \$1.7 million, funded by the FF Trust Fund.

- Following are several of the construction in progress projects that were completed during fiscal year 2003:

Wysong-Coogler Water Conservation Structure: \$1.7 million

Starkey Environmental Education Center: \$0.5 million

Annutteligia Hammock Wellsite: \$0.2 million

Educational Boardwalk Center: \$0.2 million

Renovations of Building 7: \$0.3 million

Clearwater Town Pond Structure: \$0.3 million

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

	2003	2002
Land	\$405,853,076	\$378,107,705
Land Interests (less-than-fee)	28,200,819	28,170,044
Buildings	22,881,290	21,460,030
Machinery and Equipment	6,513,678	5,199,281
Infrastructure	77,174,833	77,649,941
Construction in Progress	4,160,301	5,333,523
Other Capital Assets	16,184	8,820
Total Assets	\$544,800,181	\$515,929,344

Additional information on the District's capital assets can be found in Note I.E.4 on page 32 and Note IV.E on page 40.

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

The District's primary source of funding is ad valorem property taxes. Property tax values within the District increased by 10.71 percent in 2003 due to property resales, reassessments and new construction. The property tax levy for fiscal year 2004 budget requirements is based on the tax roll for 2003. The General Fund Districtwide millage rate and all eight Basin millage rates were held at the fiscal year 2003 levels.

The current economic conditions and the declining interest rates have negatively affected District investment earnings. The District received a 2.1 percent yield on its investments during fiscal year 2003. The fiscal year 2004 budget was based on an expected yield of 1.75 percent. Any revenue shortfalls can be offset by unanticipated revenue and reductions in expenditures during fiscal year 2004.

During the current fiscal year, the unreserved fund balance in the general fund increased to \$56.9 million. The Governing Board has designated \$37.8 million for projects and reserves primarily for the New Water Sources Initiative and Water Supply and Resource Development, \$10.8 million as funding for the fiscal year 2004 budget, and \$0.6 million for the self-funded workers' compensation program. The remaining \$7.7 million is available to offset ad valorem property tax 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. 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; or by calling (352) 796-7211, extension 4121; or by e-mail to [Daryl.Pokrana@swfwmd.state.fl.us](mailto:Daryl.Pokrana@swfwmd.state.fl.us).



# Basic Financial Statements

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

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

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

**Southwest Florida Water Management District  
Statement of Net Assets  
September 30, 2003**

<b>ASSETS</b>	<u>Governmental Activities</u>
Cash and Investments	\$232,999,357
Receivables	6,385,547
Deposits	25,200
Inventories	121,444
Other Assets	199,936
Restricted assets:	
Cash and Investments	98,380,984
Interest Receivable	24,342
Capital Assets (net of accumulated depreciation)	
Land	405,853,076
Land Interests	28,200,819
Buildings	22,881,290
Machinery and Equipment	6,513,678
Infrastructure	77,174,833
Construction in Progress	4,160,301
Other Capital Assets	16,184
Total Assets	<u>882,936,991</u>
 <b>LIABILITIES</b>	
Accounts and Contracts Payable	19,563,912
Payroll and Related Costs	1,282,166
Contracts Payable-Retainage	219,962
Due To Other Governments	159,971
Deferred Revenue	13,506,319
Liabilities Payable From Restricted Assets	43,096
Noncurrent Liabilities:	
Due Within One Year	627,761
Due in More Than One Year	4,577,937
Total Liabilities	<u>39,981,124</u>
 <b>NET ASSETS</b>	
Invested in Capital Assets	544,800,181
Restricted	85,251,298
Unrestricted ( <b>Page 43, note V. B.</b> )	212,904,388
Total Net Assets	<u><u>\$842,955,867</u></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, 2003**

Functions/Programs	Program Revenues			Net (Expense)
Primary government:	Charges for	Operating	Capital	Revenue and
Governmental Activities:	Services	Grants and	Grants and	Changes in
Water Resources Planning & Monitoring	Contributions	Contributions	Contributions	Net Assets
Acquisition, Restoration & Public Works	Total	Total	Total	Total
Operation & Maintenance of Lands & Works	Governmental	Governmental	Governmental	Governmental
Regulation	Activities	Activities	Activities	Activities
Outreach - Public Education	Total	Total	Total	Total
Management and Administration	Total	Total	Total	Total
Total governmental activities	Total	Total	Total	Total
Governmental Activities:				
Water Resources Planning & Monitoring	\$ 15,579,114	\$ 144,229	\$ -	\$ (15,123,387)
Acquisition, Restoration & Public Works	44,556,653	5,025,082	28,467,877	(11,063,694)
Operation & Maintenance of Lands & Works	12,900,859	4,326,617	-	(7,225,012)
Regulation	13,606,323	133,600	-	(10,919,812)
Outreach - Public Education	3,527,078	-	-	(3,524,878)
Management and Administration	27,010,734	-	-	(25,642,540)
Total governmental activities	\$ 117,180,761	\$ 9,629,528	\$ 28,467,877	\$ (73,499,323)
General Revenues:				
Ad Valorem Property Taxes				129,555,903
Unrestricted investment earnings				5,490,920
Gain on sale of capital assets				89,808
Other				505,914
Total general revenues				135,642,545
Change in net assets				62,143,222
Net assets - beginning				780,812,645
Net assets - ending				\$ 842,955,867

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



**Southwest Florida Water Management District  
Balance Sheet  
Governmental Funds  
September 30, 2003**

	General	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	DOT Mitigation	Partnership Trust	Save Our Rivers	Facilities	Total Governmental Funds
<b>ASSETS</b>															
Cash and Investments	\$ 83,983,016	\$ 4,733,910	\$ 9,173,377	\$ 10,798,503	\$ 7,639,586	\$ 58,546,612	\$ 13,889,860	\$ 21,363,350	\$ 27,284,368	\$ 2,788,856	\$ 1,504,045	\$ 85,226,955	\$ -	\$ 5,951,948	\$ 331,380,341
Due From Other Governments	1,408,325	72,532	132,231	49,256	87,680	128,363	327,246	145,200	123,483	1,302,246	-	-	387,264	-	5,667,871
Due From Other Funds	1,577,623	-	-	-	-	-	-	-	-	-	-	-	-	-	1,577,623
Interest Receivable	276,664	14,569	31,578	31,004	22,320	188,533	12,559	56,338	79,518	4,593	-	24,342	-	-	742,018
Deposits	25,200	-	-	-	-	-	-	-	-	-	-	-	-	-	25,200
Inventories	113,571	-	-	-	-	-	-	7,873	-	-	-	-	-	-	121,444
Other Assets	199,936	-	-	-	-	-	-	-	-	-	-	-	-	-	199,936
Total Assets	<u>87,584,335</u>	<u>4,821,011</u>	<u>9,337,186</u>	<u>10,878,763</u>	<u>7,749,586</u>	<u>58,863,508</u>	<u>14,229,665</u>	<u>21,572,761</u>	<u>27,487,369</u>	<u>4,095,695</u>	<u>1,504,045</u>	<u>85,251,297</u>	<u>387,264</u>	<u>5,951,948</u>	<u>339,714,433</u>
<b>LIABILITIES AND FUND BALANCES</b>															
Liabilities:															
Accounts and Contracts Payable	4,327,340	379,966	2,071,003	879,106	840,741	5,852,138	429,214	798,146	2,900,562	1,081,318	21,348	-	20,341	5,785	19,607,008
Payroll and Related Costs	1,164,479	6,580	13,522	5,282	16,905	9,700	19,712	14,184	11,880	15,658	4,254	-	-	-	1,282,166
Contracts Payable-Retainage	22,077	7,015	38,731	1,141	1,141	197	1,231	8,049	2,130	-	4,120	-	-	-	219,962
Due To Other Governments	101,755	-	58,216	-	-	-	-	-	-	-	-	-	-	-	159,971
Due To Other Funds	-	-	-	-	-	-	-	-	-	-	1,474,323	-	103,300	-	1,577,623
Deferred Revenue	555,579	4,660	34,893	31,547	76,183	90,373	9,772,762	1,309,029	310,557	1,788,333	-	-	298,433	-	14,272,349
Total Liabilities	<u>6,171,230</u>	<u>398,221</u>	<u>2,216,365</u>	<u>915,945</u>	<u>934,970</u>	<u>5,952,408</u>	<u>10,222,919</u>	<u>2,129,408</u>	<u>3,225,129</u>	<u>3,020,580</u>	<u>1,504,045</u>	<u>-</u>	<u>422,074</u>	<u>5,785</u>	<u>37,119,079</u>
Fund Balances:															
Reserved for Encumbrances	23,804,545	2,667,255	4,810,609	5,520,119	5,963,154	38,370,600	16,573,571	18,051,838	20,745,359	15,858,282	2,451,392	85,251,297	9,756,220	4,600,278	254,424,499
Reserved for Workers' Compensation Claims Unreserved:	719,000	-	-	-	-	-	-	-	-	-	-	-	-	-	719,000
Designated for Future Projects	27,831,903	1,046,917	938,780	3,150,360	-	8,545,302	-	478,199	2,599,085	-	-	-	-	939,029	45,529,575
Designated for Subsequent Year's Expenditures	10,815,509	599,231	1,371,432	1,067,784	851,462	4,539,543	-	913,316	917,796	-	-	-	-	383,949	21,460,022
Designated for Workers' Compensation Self-insurance Program	590,656	-	-	-	-	-	-	-	-	-	-	-	-	-	590,656
Designated for NWSI/Partnership Reserve	10,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	10,000,000
Undesignated	7,651,492	109,387	-	224,555	-	1,455,655	(12,566,825)	-	-	(14,783,147)	(2,451,392)	-	(9,791,030)	22,907	(30,128,398)
Total Fund Balances	<u>81,413,105</u>	<u>4,422,790</u>	<u>7,120,821</u>	<u>9,982,818</u>	<u>6,814,616</u>	<u>52,911,100</u>	<u>4,006,746</u>	<u>19,443,353</u>	<u>24,262,240</u>	<u>1,075,115</u>	<u>-</u>	<u>85,251,297</u>	<u>(34,810)</u>	<u>5,846,163</u>	<u>302,595,354</u>
Total Liabilities and Fund Balances	<u>\$ 87,584,335</u>	<u>\$ 4,821,011</u>	<u>\$ 9,337,186</u>	<u>\$ 10,878,763</u>	<u>\$ 7,749,586</u>	<u>\$ 58,863,508</u>	<u>\$ 14,229,665</u>	<u>\$ 21,572,761</u>	<u>\$ 27,487,369</u>	<u>\$ 4,095,695</u>	<u>\$ 1,504,045</u>	<u>\$ 85,251,297</u>	<u>\$ 387,264</u>	<u>\$ 5,951,948</u>	<u>\$ -</u>

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.

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

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Net assets of governmental activities

544,800,181

766,030

(5,205,698)

\$ 842,955,867

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, 2003**

	General	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	DOT Mitigation	Partnership Trust	Save Our Rivers	Facilities	Total Governmental Funds
<b>REVENUES</b>															
Ad Valorem Property Taxes	\$ 77,833,580	\$ 2,257,796	\$ 6,503,367	\$ 4,218,523	\$ 3,042,400	\$ 18,492,468	\$ 2,317,120	\$ 5,454,067	\$ 7,129,899	\$ -	\$ -	\$ -	\$ -	\$ 2,300,000	\$ 129,549,220
Intergovernmental Revenues	4,460,121	89,829	300,799	153,697	826,072	51,904	1,092,092	181,885	453,863	2,889,229	1,520,225	-	26,954,907	-	38,974,623
Interest on Invested Funds	1,960,678	97,622	215,701	212,623	150,048	1,246,037	81,109	376,093	530,930	30,682	-	589,397	-	-	5,490,920
License and Permit Fees	2,552,911	-	-	-	-	-	-	-	-	-	-	-	-	-	2,552,911
Other	2,221,953	1,643	5,138	3,191	380,375	11,007	1,606	2,987	3,565	-	-	-	86,215	-	2,755,089
Total Revenues	<u>89,029,243</u>	<u>2,446,890</u>	<u>7,025,005</u>	<u>4,588,034</u>	<u>4,396,895</u>	<u>19,801,416</u>	<u>3,491,927</u>	<u>6,015,032</u>	<u>8,118,257</u>	<u>2,919,911</u>	<u>1,520,225</u>	<u>589,397</u>	<u>26,992,316</u>	<u>2,366,215</u>	<u>179,322,763</u>
<b>EXPENDITURES</b>															
Current:															
Water Resources Planning and Monitoring	9,536,491	348,540	1,275,487	209,315	925,684	332,212	478,853	1,050,068	963,578	763,872	-	-	-	-	15,884,100
Acquisition, Restoration and Public Works	5,933,497	68,527	1,475,064	1,058,088	1,191,830	9,536,042	724,102	952,860	3,646,615	3,451,423	1,520,225	15,140,538	26,817,550	437,620	71,952,001
Operations and Maintenance of Lands and Works	8,000,526	266,267	1,392,336	288,906	703,598	248,309	1,423,257	555,910	530,520	-	-	-	81,272	-	13,490,901
Regulation	13,495,224	-	-	-	-	-	-	11,500	-	-	-	-	-	-	13,506,724
Outreach - Public Education	1,176,211	165,910	318,508	213,261	159,815	900,438	142,416	202,478	216,371	19,155	-	-	-	-	3,514,563
District Management and Administration	25,953,625	69,682	176,931	115,974	115,882	466,083	133,109	250,317	163,491	4,234,450	1,520,225	15,140,538	26,898,822	437,620	27,445,094
Total Expenditures	<u>64,095,574</u>	<u>916,926</u>	<u>4,638,326</u>	<u>1,885,544</u>	<u>3,096,809</u>	<u>11,483,084</u>	<u>2,901,737</u>	<u>3,023,153</u>	<u>5,520,575</u>	<u>4,234,450</u>	<u>1,520,225</u>	<u>15,140,538</u>	<u>26,898,822</u>	<u>437,620</u>	<u>145,793,383</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	24,933,669	1,529,964	2,386,679	2,702,490	1,302,086	8,318,332	590,190	2,991,879	2,597,682	(1,314,539)	-	(14,551,141)	93,494	1,948,595	33,529,380
<b>OTHER FINANCING SOURCES (USES)</b>															
Transfers In	-	-	-	-	-	-	-	-	-	1,318,391	-	14,090,742	-	300,000	15,709,133
Transfers Out	(6,661,722)	(944,566)	(2,846,535)	(743,264)	(594,268)	(3,438,239)	(118,612)	(167,872)	(194,055)	-	-	-	-	-	(15,709,133)
Total Other Financing Sources and Uses	<u>(6,661,722)</u>	<u>(944,566)</u>	<u>(2,846,535)</u>	<u>(743,264)</u>	<u>(594,268)</u>	<u>(3,438,239)</u>	<u>(118,612)</u>	<u>(167,872)</u>	<u>(194,055)</u>	<u>1,318,391</u>	<u>-</u>	<u>14,090,742</u>	<u>-</u>	<u>300,000</u>	<u>-</u>
Net Change in Fund Balances	18,271,947	585,398	(459,856)	1,959,226	707,818	4,880,093	471,578	(2,824,007)	2,403,627	3,852	-	(460,399)	93,494	2,248,595	33,529,380
Fund Balances - Beginning	63,141,158	3,837,392	7,580,677	8,003,592	6,106,798	48,031,007	3,535,168	16,619,346	21,856,613	1,071,263	-	85,711,696	(128,304)	3,697,568	289,065,974
Fund Balances - Ending	<u>\$ 81,413,105</u>	<u>\$ 4,422,790</u>	<u>\$ 7,120,821</u>	<u>\$ 9,962,818</u>	<u>\$ 6,814,616</u>	<u>\$ 52,911,100</u>	<u>\$ 4,006,746</u>	<u>\$ 19,443,353</u>	<u>\$ 24,262,240</u>	<u>\$ 1,075,115</u>	<u>\$ -</u>	<u>\$ 85,251,297</u>	<u>\$ (34,810)</u>	<u>\$ 5,946,163</u>	<u>\$ 302,595,354</u>

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

Net change in fund balances -- total governmental funds \$ 33,529,380

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. 28,876,300

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets. (5,463)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. However, delinquent taxes recorded as of September 30, 2003 was more than the amount recorded at prior year end, resulting in a net increase to net assets. 6,683

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. (263,678)

Change in net assets of governmental activities \$ 62,143,222

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, 2003**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Ad Valorem Property Taxes	\$ 77,666,051	\$ 77,833,580	\$ 167,529
Intergovernmental Revenues	4,847,646	4,460,121	(387,525)
Interest on Invested Funds	2,000,000	1,960,678	(39,322)
License and Permit Fees	2,100,000	2,552,911	452,911
Other	948,685	2,221,953	1,273,268
Total Revenues	87,562,382	89,029,243	1,466,861
<b>EXPENDITURES</b>			
Current:			
Water Resources Planning and Monitoring	14,429,848	9,536,491	4,893,357
Acquisition, Restoration and Public Works	49,533,486	5,933,497	43,599,989
Operations and Maintenance of Lands and Works	8,437,979	8,000,526	437,453
Regulation	15,704,418	13,495,224	2,209,194
Outreach - Public Education	1,448,168	1,176,211	271,957
District Management and Administration	31,804,227	25,953,625	5,850,602
Total Expenditures	121,358,126	64,095,574	57,262,552
Excess (Deficiency) of Revenues Over (Under) Expenditures	(33,795,744)	24,933,669	58,729,413
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	(7,218,592)	(6,661,722)	556,870
Net Change In Fund Balance	(41,014,336)	18,271,947	59,286,283
Fund Balance - Beginning	41,014,336	63,141,158	22,126,822
Fund Balance - Ending	\$ -	\$ 81,413,105	\$ 81,413,105

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, 2003**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>			
Ad Valorem Property Taxes	\$ 2,255,590	\$ 2,257,796	\$ 2,206
Intergovernmental Revenues	195,886	89,829	(106,057)
Interest on Invested Funds	110,000	97,622	(12,378)
Other	-	1,643	1,643
Total Revenues	<u>2,561,476</u>	<u>2,446,890</u>	<u>(114,586)</u>
<b>EXPENDITURES</b>			
Current:			
Water Resources Planning and Monitoring	656,001	348,540	307,461
Acquisition, Restoration and Public Works	1,580,512	66,527	1,513,985
Operations and Maintenance of Lands and Works	776,289	266,267	510,022
Outreach - Public Education	294,052	165,910	128,142
District Management and Administration	142,892	69,682	73,210
Total Expenditures	<u>3,449,746</u>	<u>916,926</u>	<u>2,532,820</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(888,270)	1,529,964	2,418,234
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	<u>(2,677,648)</u>	<u>(944,566)</u>	<u>1,733,082</u>
Net Change In Fund Balance	(3,565,918)	585,398	4,151,316
Fund Balance - Beginning	3,565,918	3,837,392	271,474
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 4,422,790</u>	<u>\$ 4,422,790</u>

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, 2003**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Ad Valorem Property Taxes	\$ 6,550,972	\$ 6,503,367	\$ (47,605)
Intergovernmental Revenues	1,130,980	300,799	(830,181)
Interest on Invested Funds	250,000	215,701	(34,299)
Other	-	5,138	5,138
Total Revenues	7,931,952	7,025,005	(906,947)
<b>EXPENDITURES</b>			
Current:			
Water Resources Planning and Monitoring	3,108,283	1,275,487	1,832,796
Acquisition, Restoration and Public Works	4,301,688	1,475,064	2,826,624
Operations and Maintenance of Lands and Works	2,218,965	1,392,336	826,629
Outreach - Public Education	622,830	318,508	304,322
District Management and Administration	355,786	176,931	178,855
Total Expenditures	10,607,552	4,638,326	5,969,226
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,675,600)	2,386,679	5,062,279
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	(4,069,339)	(2,846,535)	1,222,804
Net Change In Fund Balance	(6,744,939)	(459,856)	6,285,083
Fund Balance - Beginning	6,744,939	7,580,677	835,738
Fund Balance - Ending	\$ -	\$ 7,120,821	\$ 7,120,821

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, 2003**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Ad Valorem Property Taxes	\$ 4,227,788	\$ 4,218,523	\$ (9,265)
Intergovernmental Revenues	25,084	153,697	128,613
Interest on Invested Funds	225,000	212,623	(12,377)
Other	-	3,191	3,191
Total Revenues	4,477,872	4,588,034	110,162
<b>EXPENDITURES</b>			
Current:			
Water Resources Planning and Monitoring	678,020	209,315	468,705
Acquisition, Restoration and Public Works	9,003,820	1,058,088	7,945,732
Operations and Maintenance of Lands and Works	355,756	288,906	66,850
Outreach - Public Education	406,990	213,261	193,729
District Management and Administration	317,124	115,974	201,150
Total Expenditures	10,761,710	1,885,544	8,876,166
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,283,838)	2,702,490	8,986,328
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	(1,198,691)	(743,264)	455,427
Net Change In Fund Balance	(7,482,529)	1,959,226	9,441,755
Fund Balance - Beginning	7,482,529	8,003,592	521,063
Fund Balance - Ending	\$ -	\$ 9,962,818	\$ 9,962,818

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, 2003**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive/(Negative)</u>
<b>REVENUES</b>			
Ad Valorem Property Taxes	\$ 3,013,092	\$ 3,042,400	\$ 29,308
Intergovernmental Revenues	920,615	826,072	(94,543)
Interest on Invested Funds	150,000	150,048	48
Other	225,000	380,375	155,375
Total Revenues	<u>4,308,707</u>	<u>4,398,895</u>	<u>90,188</u>
<b>EXPENDITURES</b>			
Current:			
Water Resources Planning and Monitoring	2,664,774	925,684	1,739,090
Acquisition, Restoration and Public Works	4,881,587	1,191,830	3,689,757
Operations and Maintenance of Lands and Works	1,956,122	703,598	1,252,524
Outreach - Public Education	253,720	159,815	93,905
District Management and Administration	406,888	115,882	291,006
Total Expenditures	<u>10,163,091</u>	<u>3,096,809</u>	<u>7,066,282</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,854,384)	1,302,086	7,156,470
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	(907,423)	(594,268)	313,155
Net Change In Fund Balance	(6,761,807)	707,818	7,469,625
Fund Balance - Beginning	6,761,807	6,106,798	(655,009)
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 6,814,616</u>	<u>\$ 6,814,616</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, 2003**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Ad Valorem Property Taxes	\$ 18,422,912	\$ 18,492,468	\$ 69,556
Intergovernmental Revenues	265,216	51,904	(213,312)
Interest on Invested Funds	1,500,000	1,246,037	(253,963)
Other	-	11,007	11,007
<b>TOTAL REVENUES</b>	<b>20,188,128</b>	<b>19,801,416</b>	<b>(386,712)</b>
<b>EXPENDITURES</b>			
Current:			
Water Resources Planning and Monitoring	2,321,844	332,212	1,989,632
Acquisition, Restoration and Public Works	53,614,499	9,536,042	44,078,457
Operations and Maintenance of Lands and Works	680,263	248,309	431,954
Outreach - Public Education	1,651,585	900,438	751,147
District Management and Administration	1,466,583	466,083	1,000,500
Total Expenditures	59,734,774	11,483,084	48,251,690
Excess (Deficiency) of Revenues Over (Under) Expenditures	(39,546,646)	8,318,332	47,864,978
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	(6,438,503)	(3,438,239)	3,000,264
Net Change In Fund Balance	(45,985,149)	4,880,093	50,865,242
Fund Balance - Beginning	45,985,149	48,031,007	2,045,858
Fund Balance - Ending	\$ -	\$ 52,911,100	\$ 52,911,100

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, 2003**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Ad Valorem Property Taxes	2,317,347	2,317,120	(227)
Intergovernmental Revenues	6,253,786	1,092,092	(5,161,694)
Interest on Invested Funds	70,000	81,109	11,109
Other	-	1,606	1,606
Total Revenues	\$ 8,641,133	\$ 3,491,927	\$ (5,149,206)
<b>EXPENDITURES</b>			
Current:			
Water Resources Planning and Monitoring	1,595,370	478,853	1,116,517
Acquisition, Restoration and Public Works	16,423,147	724,102	15,699,045
Operations and Maintenance of Lands and Works	2,278,832	1,423,257	855,575
Outreach - Public Education	271,944	142,416	129,528
District Management and Administration	215,606	133,109	82,497
Total Expenditures	20,784,899	2,901,737	17,883,162
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,143,766)	590,190	12,733,956
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	(935,328)	(118,612)	816,716
Net Change In Fund Balance	(13,079,094)	471,578	13,550,672
Fund Balance - Beginning	13,079,094	3,535,168	(9,543,926)
Fund Balance - Ending	\$ -	\$ 4,006,746	\$ 4,006,746

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, 2003**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>			
Ad Valorem Property Taxes	\$ 5,442,817	\$ 5,454,067	\$ 11,250
Intergovernmental Revenues	8,920,488	181,885	(8,738,603)
Interest on Invested Funds	400,000	376,093	(23,907)
Other	-	2,987	2,987
Total Revenues	<u>14,763,305</u>	<u>6,015,032</u>	<u>(8,748,273)</u>
<b>EXPENDITURES</b>			
Current:			
Water Resources Planning and Monitoring	2,740,581	1,050,068	1,690,513
Acquisition, Restoration and Public Works	25,333,043	952,880	24,380,163
Operations and Maintenance of Lands and Works	1,359,937	555,910	804,027
Regulation	11,500	11,500	-
Outreach - Public Education	459,317	202,478	256,839
District Management and Administration	289,066	250,317	38,749
Total Expenditures	<u>30,193,444</u>	<u>3,023,153</u>	<u>27,170,291</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,430,139)	2,991,879	18,422,018
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	<u>(1,002,005)</u>	<u>(167,872)</u>	834,133
Net Change In Fund Balance	(16,432,144)	2,824,007	19,256,151
Fund Balance - Beginning	16,432,144	16,619,346	187,202
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 19,443,353</u>	<u>\$ 19,443,353</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, 2003**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Ad Valorem Property Taxes	\$ 7,090,552	\$ 7,129,899	\$ 39,347
Intergovernmental Revenues	1,103,891	453,863	(650,028)
Interest on Invested Funds	550,000	530,930	(19,070)
Other	40,000	3,565	(36,435)
Total Revenues	8,784,443	8,118,257	(666,186)
<b>EXPENDITURES</b>			
Current:			
Water Resources Planning and Monitoring	3,251,700	963,578	2,288,122
Acquisition, Restoration and Public Works	23,920,533	3,646,615	20,273,918
Operations and Maintenance of Lands and Works	774,759	530,520	244,239
Outreach - Public Education	441,893	216,371	225,522
District Management and Administration	578,981	163,491	415,490
Total Expenditures	28,967,866	5,520,575	23,447,291
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,183,423)	2,597,682	22,781,105
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	(1,343,216)	(194,055)	1,149,161
Net Change In Fund Balance	(21,526,639)	2,403,627	23,930,266
Fund Balance - Beginning	21,526,639	21,858,613	331,974
Fund Balance - Ending	\$ -	\$ 24,262,240	\$ 24,262,240

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, 2003**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Intergovernmental Revenues	\$ 7,464,484	\$ 2,889,229	\$ (4,575,255)
Interest on Invested Funds	-	30,682	30,682
Total Revenues	7,464,484	2,919,911	(4,544,573)
<b>EXPENDITURES</b>			
Current:			
Water Resources Planning and Monitoring	3,470,105	763,872	2,706,233
Acquisition, Restoration and Public Works	29,024,282	3,451,423	25,572,859
Outreach - Public Education	45,441	19,155	26,286
Total Expenditures	32,539,828	4,234,450	28,305,378
Excess (Deficiency) of Revenues Over (Under) Expenditures	(25,075,344)	(1,314,539)	23,760,805
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	3,442,831	1,318,391	(2,124,440)
Net Change In Fund Balance	(21,632,513)	3,852	21,636,365
Fund Balance - Beginning	21,632,513	1,071,263	(20,561,250)
Fund Balance - Ending	\$ -	\$ 1,075,115	\$ 1,075,115

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

**Southwest Florida Water Management District  
DOT Mitigation Special Revenue Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2003**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>REVENUES</b>			
Intergovernmental Revenues	\$ <u>2,616,561</u>	\$ <u>1,520,225</u>	\$ <u>(1,096,336)</u>
<b>EXPENDITURES</b>			
Current:			
Acquisition, Restoration and Public Works	<u>9,326,591</u>	<u>1,520,225</u>	<u>7,806,366</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,710,030)	-	6,710,030
Fund Balance - Beginning	<u>6,710,030</u>	<u>-</u>	<u>(6,710,030)</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**Southwest Florida Water Management District  
Partnership Trust Special Revenue Fund  
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual  
For the Year Ended September 30, 2003**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Interest on Invested Funds	\$ <u>          -</u>	\$ <u>      589,397</u>	\$ <u>      589,397</u>
<b>EXPENDITURES</b>			
Current:			
Acquisition, Restoration and Public Works	<u>      100,140,539</u>	<u>      15,140,538</u>	<u>      85,000,001</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(100,140,539)	(14,551,141)	85,589,398
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	<u>      15,140,538</u>	<u>      14,090,742</u>	<u>      (1,049,796)</u>
Net Change In Fund Balance	(85,000,001)	(460,399)	84,539,602
Fund Balance - Beginning	<u>      85,000,001</u>	<u>      85,711,696</u>	<u>      711,695</u>
Fund Balance - Ending	\$ <u>                  -</u>	\$ <u>      85,251,297</u>	\$ <u>      85,251,297</u>

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, 2003**

**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 for which the District is financially accountable. The District is a component unit of the State of Florida for financial reporting purposes and these financial statements will be included in the State of Florida's Comprehensive Annual Financial Report as a discretely presented component unit for the fiscal year ending June 30, 2004.

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

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

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.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.



**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
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Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

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

Ad valorem property taxes are recorded as revenues in the fiscal year in which the taxes are due and collected within 60 days of fiscal year-end. Intergovernmental revenues are recognized at the time related expenditures are incurred. 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.

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 eleven *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.E.7, page 34).

The *DOT Mitigation Fund* accounts for revenue sources received from the State of Florida that are restricted for mitigation activities, pursuant to Section 373.4137, Florida Statutes. The state-mandated Florida Department of Transportation (FDOT) program requires that mitigation to offset the adverse wetland impacts of transportation projects be funded by the FDOT and carried out through the Florida Department of Environmental Protection and the water management districts, in consultation with federal, state and local agencies' regulatory requirements (see Note I.E.7, page 34).

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
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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.B, page 43).

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

The *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 (see Note I.E.7, page 34).

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

**D. Classification of expenditures**

The District currently categorizes the revenues, expenditures, and budget data it submits to the 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 resources education; public information activities; all lobbying activities relating to local, regional, state, and federal governmental affairs; and all public relations activities, including public service announcements and advertising in any media.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
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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.

**E. 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 Investments and for External Investment Pools*. It is the practice of the District to hold all government securities to maturity.

The District has limited its investments to the following investments authorized in Section 218.415, Florida Statutes: (a) Local Government Surplus Funds Trust Fund; (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, including interest income, of the general fund (\$299,325), Coastal Rivers Basin Fund (\$20), Withlacoochee River Basin Fund (\$9,782,101), Peace River Basin Fund (\$1,254,116), Manasota Basin Fund (\$250,823), SWIM Program Fund (\$1,567,644) and the Partnership Trust Fund (\$85,226,955) are classified as restricted assets on the statement of net assets because their use is limited to specific purposes as identified within their related agreements. As long as these agreements are in effect, the cash balances, which are maintained in separate investment accounts, 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 only 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 if purchased or constructed. Donated assets are

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
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recorded at their estimated fair value at the date of the donation. The estimated fair value is based on the most recent appraisal documentation available. Maintenance, repairs and minor renovations are not capitalized.

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

<u>Assets</u>	<u>Years</u>
Infrastructure	20 - 50
Buildings	5 - 50
Machinery & Equipment	3 - 25
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 on the statement of net assets.

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 of 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.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
**September 30, 2003**

**7. State trust funds.**

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

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 Department of Environmental Protection (FDEP) has oversight responsibility for this trust 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. The FDEP has oversight responsibility for this trust fund.

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 FDEP has oversight responsibility for this trust fund.

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

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

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
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**8. 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 funds balance sheet includes a reconciliation between *fund balances—total governmental funds* and *net assets of governmental activities* as reported in the government-wide statement of net assets.

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

The details of the \$5,205,698 difference are as follows:

Compensated Absences	\$4,459,898
Claims (Workers’ Compensation and Dental)	<u>745,800</u>
Net adjustment to reduce <i>fund balances—total governmental funds</i> to arrive at <i>net assets of governmental activities</i>	<u>\$5,205,698</u>

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

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances—total governmental funds* and *changes 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 \$28,876,300 difference are as follows:

Capital outlay	\$35,396,951
Depreciation expense	<u>(6,520,651)</u>
Net adjustment to increase <i>net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$28,876,300</u>

Another element of that reconciliation states that, “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and 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 \$5,463. 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.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
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Another element of that reconciliation states “Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.” The \$6,683 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 \$263,678 difference are as follows:

Compensated absences	\$(263,378)
Claims (Workers’ Compensation and Dental)	<u>(300)</u>
Net adjustment to <i>decrease net changes in fund balances – total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$(263,678)</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 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 \$34,810 at September 30, 2003. 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. 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 Withlacoochee River Basin Fund (\$12,566,825), the SWIM Program Fund (\$14,783,147), the DOT Mitigation Fund (\$2,451,392), and the Save Our Rivers Fund (\$9,791,030). 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, 2003.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
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**IV. Detailed notes**

**A. Cash and investments**

At September 30, 2003, the carrying amount of the District's cash demand deposit account was a deficit of (\$4,426,512) and the bank balance was \$616,390. The District actively manages its cash balance and invests excess cash on a daily basis. This may result in a negative book balance. However, a positive bank balance is maintained at all times. 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.

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, 2003, the fair value of the District's \$129,708,298 investment position in the Pool is the same as the value of the underlying pool shares.

Investments are categorized to give an indication of the level of credit risk assumed by the District at September 30, 2003. 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.

U.S. Government securities held by the District at September 30, 2003, 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 decrease in the fair value of investments during 2003 was \$185,950. This amount takes into account all changes in fair value (including purchases and sales) that occurred during the year and is included in interest on invested funds in the accompanying Statement of Revenues, Expenditures, and Changes in Fund Balances.



**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
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The fair value of cash and investments at September 30, 2003, is summarized as follows:

	<b><u>FAIR VALUE</u></b>
U.S. Government Securities	\$120,868,800
Investments in Local Government Surplus Funds Trust Fund	129,708,298
Investments Held by Trustees:	
Money Market Fund	<u>85,226,955</u>
Total Investments	<u>335,804,053</u>
Demand Deposit Accounts	(4,426,512)
Petty Cash	<u>2,800</u>
Total Demand Deposits and Petty Cash	<u>(4,423,712)</u>
Total Cash and Investments	<u>\$331,380,341</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	\$1,408,325	\$276,664	\$1,684,989
Alafia River Basin	72,532	14,569	87,101
Hillsborough River Basin	132,231	31,578	163,809
Northwest Hillsborough Basin	49,256	31,004	80,260
Coastal Rivers Basin	87,680	22,320	110,000
Pinellas-Anclote River Basin	128,363	188,533	316,896
Withlacoochee River Basin	327,246	12,559	339,805
Peace River Basin	145,200	56,338	201,538
Manasota Basin	123,483	79,518	203,001
SWIM Program	1,302,246	4,593	1,306,839
DOT Mitigation	1,504,045	—	1,504,045
Partnership Trust	—	24,342	24,342
Save Our Rivers	<u>387,264</u>	<u>—</u>	<u>387,264</u>
Total	<u>\$5,667,871</u>	<u>\$742,018</u>	<u>\$6,409,889</u>

Of the total receivables, \$24,342 is classified as restricted interest receivable on the Statement of Net Assets found on page 13.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
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**C. Deferred Revenue**

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

	<u>Unavailable</u>	<u>Unearned</u>
General		
Delinquent property taxes receivable	\$ 476,026	
Other	79,553	
Alafia River Basin		
Delinquent property taxes receivable	4,660	
Hillsborough River Basin		
Delinquent property taxes receivable	34,893	
Northwest Hillsborough Basin		
Delinquent property taxes receivable	31,547	
Coastal Rivers Basin		
Delinquent property taxes receivable	26,183	
Other	50,000	
Pinellas-Anclote River Basin		
Delinquent property taxes receivable	90,373	
Withlacoochee River Basin		
Delinquent property taxes receivable	22,762	
Grant drawdowns prior to meeting all eligibility requirements		\$ 9,750,000
Peace River Basin		
Delinquent property taxes receivable	59,029	
Grant drawdowns prior to meeting all eligibility requirements		1,250,000
Manasota Basin		
Delinquent property taxes receivable	20,557	
Grant drawdowns prior to meeting all eligibility requirements		250,000
Other	40,000	
SWIM Program		
Grant drawdowns prior to meeting all eligibility requirements		1,562,500
Other		225,833
Save Our Rivers		
Other		298,433
Total deferred revenue for governmental funds	<u>\$ 935,583</u>	<u>\$ 13,336,766</u>

**D. Property Taxes**

Ad valorem property taxes are computed using property values at January 1 of each year and are considered to be levied upon the District Governing Board's adoption of the final millage rate in September. The taxes are due November 1 and become delinquent April 1 of the following year. A four percent discount is allowed if the taxes are paid in November, with the discount declining by one percent each month thereafter. Tax certificates for the full amount of any unpaid taxes 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, 2003**

**E. Capital Assets**

Capital asset activity for the year ended September 30, 2003 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$378,107,705	\$27,745,371	\$ —	\$405,853,076
Land Interests	28,170,044	30,775	—	28,200,819
Construction in progress	<u>5,333,523</u>	<u>2,639,124</u>	<u>(3,812,346)</u>	<u>4,160,301</u>
Total capital assets, not being depreciated	<u>411,611,272</u>	<u>30,415,270</u>	<u>(3,812,346)</u>	<u>438,214,196</u>
Capital assets, being depreciated:				
Buildings	26,953,993	2,523,015	(6,169)	29,470,839
Machinery and Equipment	29,450,333	3,470,298	(2,521,244)	30,399,387
Infrastructure	110,462,245	2,787,956	—	113,250,201
Other	<u>68,972</u>	<u>12,758</u>	<u>(10,093)</u>	<u>71,637</u>
Total capital assets being depreciated	<u>166,935,543</u>	<u>8,794,027</u>	<u>(2,537,506)</u>	<u>173,192,064</u>
Less accumulated depreciation for:				
Buildings	(5,493,963)	(1,098,578)	2,992	(6,589,549)
Machinery and Equipment	(24,251,052)	(2,153,615)	2,518,958	(23,885,709)
Infrastructure	(32,812,304)	(3,263,064)	—	(36,075,368)
Other	<u>(60,152)</u>	<u>(5,394)</u>	<u>10,093</u>	<u>(55,453)</u>
Total accumulated depreciation	<u>(62,617,471)</u>	<u>(6,520,651)</u>	<u>2,532,043</u>	<u>(66,606,079)</u>
Total capital assets, being depreciated, net	<u>104,318,072</u>	<u>2,273,376</u>	<u>(5,463)</u>	<u>106,585,985</u>
Governmental activities capital assets, net	<u>\$515,929,344</u>	<u>\$32,688,646</u>	<u>\$(3,817,809)</u>	<u>\$544,800,181</u>

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

Governmental activities:	
Water Resources Planning & Monitoring	\$ 305,674
Acquisition, Restoration & Public Works	2,577,712
Operation & Maintenance of Lands & Works	1,797,744
Regulation	38,706
Outreach	21,577
Management and Administration	<u>1,779,238</u>
Total depreciation expense – governmental activities	<u>\$6,520,651</u>

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
**September 30, 2003**

**F. Interfund receivables, payables, and transfers**

Interfund receivables and payables at September 30, 2003, 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	\$ 1,577,623	\$ —	\$ —	\$ 6,661,722
Alafia River Basin	—	—	—	944,566
Hillsborough River Basin	—	—	—	2,846,535
Northwest Hillsborough Basin	—	—	—	743,264
Coastal Rivers Basin	—	—	—	594,268
Pinellas-Anclote River Basin	—	—	—	3,438,239
Withlacoochee River Basin	—	—	—	118,612
Peace River Basin	—	—	—	167,872
Manasota Basin	—	—	—	194,055
SWIM Program	—	—	1,318,391	—
DOT Mitigation	—	1,474,323	—	—
Partnership Trust	—	—	14,090,742	—
Save Our Rivers	—	103,300	—	—
Facilities	—	—	300,000	—
	<u>\$ 1,577,623</u>	<u>\$ 1,577,623</u>	<u>\$15,709,133</u>	<u>\$15,709,133</u>

The Interfund Receivables and Interfund Payables relate to the following:

- (1) The DOT Mitigation Fund had a deficit cash balance of \$1,474,323 at September 30, 2003. Mitigation activities reported in this fund are funded through the State Transportation Trust Fund on a cost reimbursement basis, thus creating a negative cash balance at year-end. The general fund advances the cash required to cover temporary cash deficits in the DOT Mitigation Fund.
- (2) The general fund has advanced \$103,300 to cover the temporary cash deficit in the Save Our Rivers Fund at September 30, 2003 (see Note III.B, page 36).

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.B on page 43. During fiscal year 2003, \$14,090,742 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 2003, \$1,318,391 was transferred to the SWIM Program Fund.
- (3) To move general fund revenues to the Facilities Fund to finance building and ground improvements at the District's Tampa service office. During fiscal year 2003, \$300,000 was transferred to the Facilities Fund.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
**September 30, 2003**

**G. Leases**

Operating Leases

The District has lease commitments under various operating leases for offices and associated parking space, and Supervisory Control and Data Acquisition (SCADA) tower leases with the longest operating lease in effect until 2007. Lease expenditures for the year ended September 30, 2003, amounted to \$596,955.

Future minimum lease payments for the non-cancelable leases are as follows:

Fiscal Year Ending <u>September 30,</u>	Minimum <u>Lease Payments</u>
2004	\$147,429
2005	107,072
2006	60,153
2007	<u>23,590</u>
	<u>\$338,244</u>

**H. Long-term obligations**

Long-term liability activity for the year ended September 30, 2003, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
Compensated Absences	\$4,196,520	\$ 702,594	\$439,216	\$4,459,898	\$441,580
Workers' Compensation	719,000	146,263	146,263	719,000	159,381
Dental	<u>26,500</u>	<u>322,396</u>	<u>322,096</u>	<u>26,800</u>	<u>26,800</u>
Total	<u>\$4,942,020</u>	<u>\$1,171,253</u>	<u>\$907,575</u>	<u>\$5,205,698</u>	<u>\$627,761</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 or manmade disasters. The District purchases commercial insurance coverages for all liabilities except workers' compensation as discussed below. During the year ended September 30, 2003, 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 \$500,000 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, 2003**

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:

	<u>Year ended</u> <u>09/30/03</u>	<u>Year ended</u> <u>09/30/02</u>
Unpaid claims, beginning of fiscal year	\$745,500	\$505,000
Incurred claims, including IBNRs and changes in estimates	468,659	707,618
Claim payments	<u>(468,359)</u>	<u>(467,118)</u>
Unpaid claims, end of fiscal year	<u>\$745,800</u>	<u>\$745,500</u>

At September 30, 2003, general fund assets of \$1,309,656 were held for the purpose of funding future workers' compensation claims liabilities, with a corresponding \$719,000 reserve for workers' compensation claims and a \$590,656 designation of the general fund balance.

**B. Commitments and contingencies**

At September 30, 2003, the District had unrestricted net assets (as defined by GASB, Statement No. 34) of approximately \$212.9 million that may be used to meet the government's ongoing commitments to citizens and creditors. It is the District's intent to use these assets to 1) liquidate contracts and purchase orders of the prior period in the amount of \$169.2 million; and 2) to pay claims associated with the District's Workers' Compensation Self-insurance Program estimated at \$0.7 million based on an independent actuarial determination. The remaining net assets are earmarked for: New Water Sources Initiative (NWSI) and Water Supply and Resource Development projects and funding 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 was signed in May 1998 with Tampa Bay Water and its six member governments. The Agreement provides for the development of at least 85 million gallons per day (mgd) of new water by the end of 2007 and implementation of aggressive conservation and demand management programs to reduce demand by 17 mgd. Tampa Bay Water is currently working to develop more than the 85 mgd of new supply, 68 mgd of which will reduce groundwater pumping at its central system wellfields. The development of new water will enable Tampa Bay Water to meet phased reductions in pumpage at the eleven Northern Tampa Bay wellfields. January 1, 2003, began the 12-month running average period that required an average annual withdrawal of 121 mgd from the consolidated wellfields. So far, Tampa Bay Water has met and exceeded that requirement. January 1, 2008, begins the 12-month running average that will, by year end, result in an average annual withdrawal of 90 mgd. Under the Agreement, the District has committed to contribute \$183 million toward development of alternative water supply projects, and \$90 million toward conservation and reuse projects (at least \$9 million per year) that effectively reduce potable water use. At September 30, 2003, the District has paid a cumulative total of \$122,689,155 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.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
**September 30, 2003**

The remaining payments will be made as follows:

2004	\$ 14,889,241
2005	15,140,536
2006	15,140,534
2007	<u>15,140,534</u>
Total	<u>\$ 60,310,845</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 is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal and state regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a grantor audit may become a liability of the District.

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

The District contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer defined benefit pension plan and a defined contribution investment plan. The State of Florida Division of Retirement administers the plans. The FRS defined benefit pension plan provides retirement and disability benefits, annual cost-of-living adjustments, 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.

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

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 report is scheduled to go online in the near future and will be available through the FRS Website.

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, 2003, were as follows: regular class – 7.39 percent; senior management class – 9.37 percent; and Deferred Retirement Option Program (DROP) – 9.11 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.

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
**Notes to the Financial Statements**  
**September 30, 2003**

The District's contributions to the FRS for the years ended September 2001, 2002 and 2003 were \$2,384,890, \$1,946,679 and \$1,784,574, respectively, equal to the required contributions for each year.

**D. Other post-employment 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 thirty-dollar (\$30) minimum and one hundred fifty dollar (\$150) maximum monthly payment. To be eligible to receive the health insurance subsidy, a retiree under a 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 HIS contribution was equal to 1.11 percent of the employee's salary for fiscal years 2002 and 2003. This contribution is added to the amount submitted for retirement contributions but is deposited in a separate trust fund (The Retiree Health Insurance Subsidy Trust Fund) from which Health Insurance Subsidy payments are authorized. If these contributions, on a pay-as-you-go basis, fail to provide full subsidy benefits to all participants, the subsidy payments may be reduced or cancelled. HIS Recipients as of June 30, 2002, were 174,972 and includes all recipients. The number of recipients resulting from employment with the District is not determinable.

The District's required contribution of \$376,776 for fiscal year ended September 30, 2003, 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, 2003  
(Unaudited)**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Intergovernmental Revenues	\$ 31,498,867	\$ 26,954,907	\$ (4,543,960)
Other	-	37,409	37,409
Total Revenues	31,498,867	26,992,316	(4,506,551)
<b>EXPENDITURES</b>			
Current:			
Acquisition, Restoration and Public Works	35,755,610	26,817,550	8,938,060
Operations and Maintenance of Lands and Works	899,433	81,272	818,161
Total Expenditures	36,655,043	26,898,822	9,756,221
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,156,176)	93,494	5,249,670
Fund Balance - Beginning	5,156,176	(128,304)	(5,284,480)
Fund Balance - Ending	\$ -	\$ (34,810)	\$ (34,810)

See accompanying Independent Auditors' Report.

**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, 2003**  
**(Unaudited)**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>REVENUES</b>			
Ad Valorem Property Taxes	\$ 2,300,000	\$ 2,300,000	\$ -
Other	-	86,215	(86,215)
Total Revenues	2,300,000	2,386,215	(86,215)
<b>EXPENDITURES</b>			
Current:			
Acquisition, Restoration and Public Works	6,277,473	437,620	5,839,853
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(3,977,473)	1,948,595	5,926,068
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	300,000	300,000	-
Net Change In Fund Balance	(3,677,473)	2,248,595	5,926,068
Fund Balance - Beginning	3,677,473	3,697,568	20,095
Fund Balance - Ending	\$ -	\$ 5,946,163	\$ 5,946,163

See accompanying Independent Auditors' Report.



## 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 Government Expenditures by Program  
For The Last Three Fiscal Years**

<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>
2003	\$15,884,100 10.90%	\$71,952,001 49.35%	\$13,490,901 9.25%	\$13,506,724 9.26%	\$3,514,563 2.41%	\$27,445,094 18.83%	\$145,793,383 100.00%
2002	14,171,194 9.08%	88,255,415 56.58%	12,492,363 8.01%	12,326,062 7.90%	2,956,308 1.90%	25,792,026 16.53%	155,993,368 100.00%
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 shows combined General Government Expenditures and includes the General, Special Revenue and Capital Projects Funds.

Beginning with fiscal year 2001, General Government Expenditures have been presented by program area, as defined under Section 373.536(5)(d)4, Florida Statutes. Prior to fiscal year 2001, General Government Expenditures were presented according to function. The expenditures for fiscal years 1994 through 2000 have not been restated by program area and are reported on page 50.

**Southwest Florida Water Management District  
General Government Expenditures by Function  
For Fiscal Years 1994 Through 2000**

<u>Fiscal Year</u>	<u>Administrative</u>	<u>General Counsel</u>	<u>Commissions</u>	<u>Resource Management</u>	<u>Resource Regulation</u>	<u>Operations and Maintenance</u>	<u>Land Resources</u>	<u>Total Expenditures</u>
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%

This schedule shows combined General Government Expenditures and includes the General, Special Revenue and Capital Projects Funds.

Beginning with fiscal year 2001, General Government Expenditures have been presented by program area, as defined under Section 373.536(5)(d)4, Florida Statutes, and are reported on page 49. Prior to fiscal year 2001, General Government Expenditures were presented according to function as reflected on this schedule. The expenditures reflect those amounts reported in the comprehensive annual financial reports for those fiscal years and have not been restated by program area.

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

<u>Fiscal Year</u>	<u>Ad Valorem Property Taxes</u>	<u>Inter-Governmental</u>	<u>Interest on Invested Funds</u>	<u>License And Permit Fees</u>	<u>Other Revenues</u>	<u>Total Revenues</u>
2003	\$129,549,220 72.24%	\$38,974,623 21.74%	\$5,490,920 3.06%	\$2,552,911 1.42%	\$2,755,089 1.54%	\$179,322,763 100.00%
2002	119,312,415 66.80%	47,294,407 26.48%	7,696,602 4.31%	2,357,605 1.32%	1,954,882 1.09%	178,615,911 100.00%
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%

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



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

Fiscal Year	District	Basin										Facilities Fund	Total	Percent Base Year	Annual Change In Percent
		Alafia River Basin	Hillsborough River Basin	Northwest Hillsborough Basin	Coastal Rivers Basin	Pinellas-Anclote River Basin	Withlacoochee River Basin	Peace River Basin	Manasota Basin	Total					
2003	\$77,833,580	\$2,257,796	\$6,503,367	\$4,218,523	\$3,042,400	\$18,492,468	\$2,317,120	\$5,454,067	\$7,129,899	\$2,300,000	\$129,549,220	201.6	15.9 %		
2002	72,255,628	2,037,219	6,068,473	3,956,118	2,829,355	17,218,219	2,330,146	5,080,107	6,287,150	1,250,000	119,312,415	185.7	17.8		
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	167.9	12.8		
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	155.1	8.8		
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	146.3	8.1		
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	138.2	5.8		
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	132.4	4.7		
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	127.7	4.7		
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	123.0	23.0		
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	100.0	0.0		

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

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

<b>Fiscal Year</b>	<b>Charlotte County</b>	<b>Citrus County</b>	<b>Desoto County</b>	<b>Hardee County</b>	<b>Hernando County</b>	<b>Highlands County</b>	<b>Hillsborough County</b>	<b>Lake County</b>	<b>Levy County</b>
2003	\$5,581,364 4.31%	\$3,851,404 2.97%	\$514,879 0.40%	\$677,976 0.52%	\$3,275,779 2.53%	\$1,531,531 1.18%	\$30,796,818 23.77%	\$14,627 0.01%	\$338,310 0.26%
2002	4,993,772 4.19%	3,654,434 3.06%	514,580 0.43%	559,349 0.47%	3,063,314 2.57%	1,480,066 1.24%	28,691,946 24.05%	13,303 0.01%	325,122 0.27%
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 23.06%	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%

(Continued)

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

<b>Fiscal Year</b>	<b>Manatee County</b>	<b>Marion County</b>	<b>Pasco County</b>	<b>Pinellas County</b>	<b>Polk County</b>	<b>Sarasota County</b>	<b>Sumter County</b>	<b>Total</b>
2003	\$9,102,886 7.03%	\$1,822,527 1.41%	\$8,341,467 6.44%	\$36,147,693 27.90%	\$9,548,241 7.37%	\$16,832,207 12.99%	\$1,171,511 0.91%	\$129,549,220 100.00%
2002	8,019,003 6.72%	1,743,415 1.46%	7,507,878 6.29%	33,854,882 28.37%	9,014,593 7.56%	14,839,812 12.44%	1,036,946 0.87%	119,312,415 100.00%
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%	107,869,877 100.00%
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%	99,643,894 100.00%
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%	94,003,984 100.00%
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%	88,788,679 100.00%
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%	85,083,863 100.00%
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%

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

Fiscal Year	General Fund			Special Revenue Funds			
	Unreserved Fund Balance	Annual Expenditures	Balance As Percentage of Expenditures	Fiscal Year	Unreserved Fund Balance	Annual Expenditures	Balance As Percentage of Expenditures
2003	\$56,889,560	\$64,095,574	88.76 %	2003	\$ (992,560)	\$54,361,367	(1.83) %
2002	46,918,577	57,907,902	81.02	2002	19,148,603	61,062,553	31.36
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

(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>
2003	(1) \$ (8,445,145)	\$27,336,442	(30.89) %	2003	\$47,451,855	\$145,793,383	32.55 %
2002	(1) (1,974,847)	37,022,913	(5.33)	2002	64,092,333	155,993,368	41.09
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	25.85
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

(1) The deficit unreserved 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, 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.

(2) The deficit unreserved fund balance resulted from encumbrances accounted for in three of the District's special revenue funds: the Withlacoochee River Basin, SWIM Program, and DOT Mitigation. The encumbrances are contractual obligations of the District that are not eligible for reimbursement until expenditures are incurred against them, thus creating an overall deficit unreserved fund balance at year-end.

**Southwest Florida Water Management District  
Ad Valorem 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>
2003	\$196,733,416,139	\$129,287,121	\$128,923,451	99.72%	\$625,769	\$129,549,220	100.20%
2002	179,984,482,391	118,192,061	118,351,223	100.13%	961,192	119,312,415	100.95%
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	99.44%	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%

(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
2003	\$9,397,451,189 4.78%	\$13,787,164,905	\$5,951,463,421 3.03%	\$7,074,397,845	\$861,104,943 0.44%	\$1,680,115,048	\$1,129,707,419 0.57%	\$1,584,505,572
2002	8,386,850,539 4.66%	11,765,949,970	5,585,926,065 3.10%	6,257,479,829	860,588,600 0.48%	1,641,097,760	934,388,620 0.52%	1,555,385,773
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

(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
2003	\$5,122,539,116 2.60%	\$7,642,982,147	\$2,565,605,756 1.30%	\$4,194,944,329	\$46,355,925,135 23.56%	\$64,837,890,327	\$35,141,203 0.02%	\$12,541,891,742
2002	4,734,177,073 2.63%	6,820,855,210	2,477,528,213 1.38%	3,949,400,610	42,891,979,863 23.83%	59,207,297,196	32,358,284 0.02%	11,114,607,760
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

(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
2003	\$514,932,657 0.26%	\$1,828,924,432	\$16,270,421,255 8.27%	\$22,702,620,085	\$2,738,924,877 1.39%	\$14,177,653,309	\$12,262,273,454 6.23%	\$18,859,943,686
2002	472,650,625 0.26%	1,709,505,277	14,359,883,510 7.98%	19,384,158,966	2,501,256,463 1.39%	12,819,400,375	11,002,947,919 6.11%	16,827,458,579
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

(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
2003	\$45,522,214,631 23.15%	\$66,487,561,200	\$16,372,841,445 8.32%	\$21,243,060,892	\$29,864,864,281 15.18%	\$43,539,696,480	\$1,768,005,357 0.90%	\$2,944,121,089	\$196,733,416,139 100.00%	\$305,127,473,088
2002	42,412,684,581 23.56%	59,343,393,200	15,470,541,404 8.60%	20,383,440,390	26,353,336,881 14.64%	36,752,413,719	1,507,383,751 0.84%	2,650,276,940	179,984,482,391 100.00%	272,182,121,554
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

Assessments are calculated at 100% of market value less exempt and immune values.

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  
Ad Valorem Property Tax Rates--All Direct And Overlapping Governments (Per \$1000 Assessed Valuation)  
For The Last Ten Fiscal Years**

County	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
Charlotte										
County Government	4.8709	4.8709	4.7141	4.7141	4.7141	4.5992	4.5992	4.5278	4.4983	4.5038
District School Board	8.1080	8.2740	8.7544	8.8220	9.1360	9.7310	9.5965	9.8612	9.6802	9.6802
Other Millage	3.6840	3.6927	3.3355	2.8947	3.3050	3.3664	2.9754	3.1076	2.8160	0.0195
<b>Total</b>	<u>16.6629</u>	<u>16.8376</u>	<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>
Citrus										
County Government	8.4179	8.4179	8.4176	8.4179	8.4176	8.4916	7.9196	7.9196	7.9198	7.7090
District School Board	8.2960	8.6670	8.7800	8.5710	8.9430	9.1440	9.8160	9.8160	9.4880	9.4200
Other Millage	3.0732	3.0624	3.0402	3.1253	3.0960	3.1433	3.2170	3.2170	3.4837	1.3000
<b>Total</b>	<u>19.7871</u>	<u>20.1473</u>	<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>
Desoto										
County Government	8.5514	8.5514	8.5514	8.4800	8.4800	8.4800	8.4800	8.4800	8.4800	8.4800
District School Board	8.2420	8.4280	8.6220	8.7060	9.3010	9.5570	8.6490	8.7230	8.7580	8.7660
Other Millage	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170
<b>Total</b>	<u>17.4104</u>	<u>17.5964</u>	<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>
Hardee										
County Government	8.7500	8.2500	8.5000	8.7500	8.7500	8.7500	9.7500	10.0000	10.0000	10.0000
District School Board	8.5780	8.5810	8.7340	8.6510	9.1510	9.6300	9.6100	9.2350	9.5260	9.2690
Other Millage	1.0150	1.0997	1.2010	1.2440	1.2370	1.2610	1.1970	1.2930	1.3540	1.3822
<b>Total</b>	<u>18.3430</u>	<u>17.9307</u>	<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>

(Continued)

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

County	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994
Hernando										
County Government	8.4204	8.4204	8.4204	8.4204	8.6704	8.7749	8.9580	8.9580	7.9580	7.9580
District School Board	9.3760	9.5610	9.8870	10.1760	10.4820	10.8510	10.8510	10.7930	10.7930	10.5630
Other Millage	3.3389	3.7170	3.5603	3.5613	3.5315	3.5502	3.5502	3.5952	3.3470	0.4220
<b>Total</b>	<u>21.1353</u>	<u>21.6984</u>	<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>
Highlands										
County Government	9.0000	9.0000	8.5000	8.5000	8.5000	8.5000	8.5000	8.5000	8.5000	8.5000
District School Board	8.7370	8.7660	8.6940	8.7280	8.9550	9.2480	9.2290	9.2480	9.2480	9.3120
Other Millage	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170
<b>Total</b>	<u>18.3540</u>	<u>18.3830</u>	<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>
Hillsborough										
County Government	9.7377	9.7377	9.9909	10.1435	10.2165	10.3444	10.4347	10.5791	10.8144	8.2094
District School Board	8.5950	8.5950	8.5860	8.7150	9.0710	9.5310	9.5880	9.9542	9.8672	9.8672
Other Millage	5.7179	5.7179	5.6344	5.6112	5.6548	5.6340	5.6339	5.6339	5.6146	1.1880
<b>Total</b>	<u>24.0506</u>	<u>24.0506</u>	<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>
Lake										
County Government	5.9170	5.9170	5.1170	5.1170	4.7330	4.7330	4.7330	4.9090	4.9270	5.1350
District School Board	8.4400	8.3950	8.2020	8.4950	8.7420	9.1900	9.1000	9.2280	9.6780	8.5150
Other Millage	2.8989	4.2948	4.2129	2.7170	2.2340	2.4938	2.4388	2.4388	2.4710	0.4000
<b>Total</b>	<u>17.2559</u>	<u>18.6068</u>	<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>

(Continued)

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

<u>County</u>	<u>2003</u>	<u>2002</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>
<b>Levy</b>										
County Government	9.0000	9.0000	9.0000	9.0000	9.0000	9.0000	9.0000	9.0000	9.0000	9.0000
District School Board	8.4900	8.7030	8.8330	9.0230	9.1280	9.7860	9.6840	9.8990	9.3590	9.3590
Other Millage	3.1992	3.1504	3.1981	3.0395	3.0717	3.0633	3.0992	3.1207	3.1522	0.0000
<b>Total</b>	<u>20.6892</u>	<u>20.8534</u>	<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>
<b>Manatee</b>										
County Government	8.6634	8.6970	8.7690	8.7690	8.8490	8.8290	8.8500	8.8636	7.6612	7.7333
District School Board	8.2960	8.3470	8.3270	8.6820	8.6070	9.0360	9.1724	9.5154	9.4095	9.5888
Other Millage	1.9120	2.3113	2.8644	2.8303	2.7751	2.7565	2.5554	2.5077	3.8744	3.5475
<b>Total</b>	<u>18.8714</u>	<u>19.3553</u>	<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>
<b>Marion</b>										
County Government	5.6400	6.0400	6.0600	6.1800	6.1500	6.1500	6.2200	9.2750	8.8750	5.7400
District School Board	9.0650	9.4360	9.5000	9.6560	9.8320	10.6240	10.5850	9.9920	9.7480	9.8800
Other Millage	5.5137	5.2782	5.3426	5.6491	5.1343	5.2433	5.3475	1.6483	1.6149	0.0000
<b>Total</b>	<u>20.2187</u>	<u>20.7542</u>	<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>
<b>Pasco</b>										
County Government	8.2820	8.6480	9.0250	9.3410	8.5700	8.1960	9.1000	9.1270	9.4220	9.2690
District School Board	8.8070	8.9390	9.1140	9.1320	9.7090	10.0920	10.0210	10.1570	10.3800	10.2550
Other Millage	1.6070	1.6070	1.6370	1.6400	1.6410	1.6410	1.6410	1.6410	1.6410	0.4220
<b>Total</b>	<u>18.6960</u>	<u>19.1940</u>	<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>

(Continued)

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

<b>County</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>	<b>1998</b>	<b>1997</b>	<b>1996</b>	<b>1995</b>	<b>1994</b>
<b>Pinellas</b>										
County Government	6.8010	6.8010	6.8010	6.7510	6.5010	7.3940	7.1940	7.1660	7.0270	6.3910
District School Board	8.2430	8.4490	8.4870	8.4330	8.6660	9.1100	9.1330	9.1760	9.3290	9.3590
Other Millage	6.8220	6.8220	6.7720	6.7220	6.7230	5.4499	5.6088	5.5451	5.6337	1.6308
<b>Total</b>	<u>21.8660</u>	<u>22.0720</u>	<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>
<b>Polk</b>										
County Government	7.7270	7.7270	7.7270	7.7270	7.9770	7.9770	7.9770	7.9770	7.9770	7.7770
District School Board	8.3170	8.5780	8.7220	8.8460	9.0720	9.3280	9.4310	9.3360	9.3290	9.0660
Other Millage	0.8423	0.8411	0.8411	0.8114	0.8144	0.8187	0.8190	0.7427	0.7366	0.0000
<b>Total</b>	<u>16.8863</u>	<u>17.1461</u>	<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>
<b>Sarasota</b>										
County Government	6.2893	5.5489	5.5653	5.5758	5.5794	5.2042	4.9173	4.9946	5.0032	3.9819
District School Board	8.7930	9.2870	8.4880	8.5440	8.5370	9.2290	8.9470	9.0940	9.4630	9.5550
Other Millage	0.6832	0.5818	0.6114	0.5716	0.7622	0.8654	1.0765	1.2390	1.1372	0.9687
<b>Total</b>	<u>15.7655</u>	<u>15.4177</u>	<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>
<b>Sumter</b>										
County Government	9.2500	9.2500	9.5650	9.5650	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
District School Board	8.7060	8.8360	8.7670	8.8890	9.3030	9.3600	9.4250	9.3670	9.3690	9.5040
Other Millage	3.9450	3.5040	3.2086	3.2494	2.8158	3.0185	2.9730	3.3186	3.3506	0.0000
<b>Total</b>	<u>21.9010</u>	<u>21.5900</u>	<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>

Source: For fiscal years 1995 through 2003, 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 Ad Valorem Property Tax Rates For The District And Watershed Basins (Per \$1000 Assessed Valuation)**  
**For The Last Ten Fiscal Years**

Fiscal Year	District	Maximum Legal Rate (1)									
		Alafia River Basin	Hillsborough River Basin	Northwest Hillsborough Basin	Coastal Rivers Basin	Pinellas-Anclote River Basin	Withlacoochee River Basin	Peace River Basin	Manasota Basin	District Wide	Per Basin
2003	.422	.240	.285	.268	.235	.400	.265	.195	.160	.500	.500
2002	.422	.240	.285	.268	.235	.400	.295	.195	.160	.500	.500
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

(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 2003 Annual Service Budget

**Southwest Florida Water Management District  
Demographic Statistics--Population By District, Basin And County  
September 30, 2003**

County	BEBR Total	Within SWFWMD Population	Green Swamp	Alafia River	Hillsborough River	Northwest Hillsborough	Coastal Rivers	Pinellas- Anclote River	Withlacoochee River	Peace River	Manasota
Charlotte *	148,521	142,818	N/A	N/A	N/A	N/A	N/A	N/A	N/A	142,818	N/A
Citrus	123,008	123,008	N/A	N/A	N/A	N/A	47,678	N/A	75,330	N/A	N/A
DeSoto	32,798	32,798	N/A	N/A	N/A	N/A	N/A	N/A	N/A	32,798	N/A
Hardee	27,437	27,437	N/A	N/A	N/A	N/A	N/A	N/A	N/A	27,437	N/A
Hernando	136,484	136,484	N/A	N/A	792	N/A	114,578	N/A	21,114	N/A	N/A
Highlands*	89,038	81,256	N/A	N/A	N/A	N/A	N/A	N/A	N/A	81,256	N/A
Hillsborough	1,055,617	1,055,617	N/A	235,825	513,346	306,446	N/A	N/A	N/A	N/A	N/A
Lake*	231,072	1,225	1,225	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Levy*	36,013	19,861	N/A	N/A	N/A	N/A	N/A	N/A	19,861	N/A	N/A
Manatee	277,362	277,362	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	277,362
Marion*	271,096	74,226	N/A	N/A	N/A	N/A	N/A	N/A	74,226	N/A	N/A
Pasco	361,468	361,432	1,699	N/A	91,560	N/A	180,409	59,859	27,905	N/A	N/A
Pinellas	933,994	933,994	N/A	N/A	N/A	N/A	N/A	933,994	N/A	N/A	N/A
Polk*	502,385	473,196	53,303	N/A	N/A	N/A	N/A	N/A	N/A	419,893	N/A
Sarasota	339,684	339,684	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	339,684
Sumter	61,348	61,348	N/A	N/A	N/A	N/A	N/A	N/A	61,348	N/A	N/A
<b>Total</b>	<b>4,627,325</b>	<b>4,141,746</b>	<b>56,227</b>	<b>235,825</b>	<b>605,698</b>	<b>306,446</b>	<b>342,665</b>	<b>993,853</b>	<b>279,784</b>	<b>704,202</b>	<b>617,046</b>

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

Permanent Population = Year-Round Residents Only.

Source: Projections of Florida Population by County, 2002-2030, Bureau of Economic and Business Research (BEBR), January 2003  
Appendix A: Population Distribution Within the Southwest Florida Water Management District, Ayers Associates, 2003



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

<u>Fiscal Year</u>	<u>Charlotte * County</u>	<u>Citrus County</u>	<u>Desoto County</u>	<u>Hardee County</u>	<u>Hernando County</u>	<u>Highlands * County</u>	<u>Hillsborough County</u>	<u>Lake * County</u>
2003	142,818 3.45%	123,008 2.97%	32,798 0.79%	27,437 0.66%	136,484 3.29%	81,256 1.96%	1,055,617 25.49%	1,225 0.03%
2002	143,848 3.54%	120,471 2.96%	32,736 0.80%	26,921 0.66%	132,762 3.26%	80,185 1.97%	1,026,906 25.26%	2,424 0.06%
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%

(Continued)

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

<b>Fiscal Year</b>	<b>Levy * County</b>	<b>Manatee County</b>	<b>Marion * County</b>	<b>Pasco County</b>	<b>Pinellas County</b>	<b>Polk * County</b>	<b>Sarasota County</b>	<b>Sumter County</b>	<b>Total</b>
2003	19,861 0.48%	277,362 6.70%	74,226 1.79%	361,432 8.73%	933,994 22.55%	473,196 11.43%	339,684 8.20%	61,348 1.48%	4,141,746 100.00%
2002	20,123 0.49%	270,771 6.66%	59,727 1.47%	352,380 8.66%	929,208 22.84%	478,252 11.76%	334,023 8.21%	56,932 1.40%	4,067,669 100.00%
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%	3,983,942 100.00%
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%	3,856,405 100.00%
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%	3,785,406 100.00%
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%	3,746,982 100.00%
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%	3,664,580 100.00%
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%	3,607,616 100.00%
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%	3,551,814 100.00%
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%	3,497,122 100.00%

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

Source: Projections of Florida Population by County, 2002-2030, Bureau of Economic and Business Research, January 2003  
Appendix A: Population Distribution Within the Southwest Florida Water Management District, Ayers Associates, 2003

**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>
2003	4,141,746	74,077	1.82
2002	4,067,669	83,727	2.10
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	-	-

**Southwest Florida Water Management District  
Schedule Of Principal Taxpayers By County  
September 30, 2003**

<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	\$36,147,703	27.90%	\$45,522,214,631	23.15%
Hillsborough County	30,796,818	23.77%	46,355,925,135	23.56%
Sarasota County	16,832,207	12.99%	29,864,864,281	15.18%
Polk County	9,548,241	7.37%	16,372,841,445	8.32%
Manatee County	9,102,886	7.03%	16,270,421,255	8.27%
Pasco County	8,341,457	6.44%	12,262,273,454	6.23%
Charlotte County	5,581,364	4.31%	9,397,451,189	4.78%
Citrus County	3,851,404	2.97%	5,951,463,421	3.03%
Hernando County	3,275,779	2.53%	5,122,539,116	2.60%
Marion County	1,822,527	1.41%	2,738,924,877	1.39%
Highlands County	1,531,531	1.18%	2,565,605,756	1.30%
Sumter County	1,171,511	0.91%	1,768,005,357	0.90%
Hardee County	677,976	0.52%	1,129,707,419	0.57%
DeSoto County	514,879	0.40%	861,104,943	0.44%
Levy County	338,310	0.26%	514,932,657	0.26%
Lake County	14,627	0.01%	35,141,203	0.02%
Total	<u>\$129,549,220</u>	<u>100.00%</u>	<u>\$196,733,416,139</u>	<u>100.00%</u>

**Southwest Florida Water Management District  
Estimated Total Water Use By County (MGD)  
September 30, 2003**

County	Agricultural	Industrial Commercial	Mining Dewatering	Public Supply (Withdrawal)	Domestic Self-Supply	Recreational Aesthetic	Total (Withdrawal) (1)	Public Supply (Use) (2)	Total (Use) (3)
Charlotte *	17.646	0.017	0.524	6.090	4.072	2.927	31.276	14.366	39.552
Citrus	2.019	0.881	0.799	12.768	6.439	3.007	25.913	12.781	25.926
Desoto	91.958	0.048	0.134	12.818	2.113	0.171	107.242	1.300	95.724
Hardee	69.838	0.217	2.961	1.659	0.681	0.238	75.594	1.591	75.526
Hernando	2.945	10.242	11.652	20.002	1.857	3.148	49.846	19.319	49.163
Highlands *	54.342	0.195	0.024	8.263	1.584	2.400	66.808	8.332	66.877
Hillsborough	74.409	13.424	4.709	166.914	6.430	13.097	278.983	126.436	238.505
Lake *	1.520	0.000	0.000	0.000	0.228	0.000	1.748	0.000	1.748
Levy *	8.827	0.029	0.000	0.955	2.615	0.264	12.690	0.893	12.628
Manatee	94.854	0.243	0.453	46.540	0.484	4.576	147.150	37.053	137.663
Marion *	3.645	0.101	0.000	7.722	6.412	2.527	20.407	8.265	20.950
Pasco	15.706	3.292	0.329	93.423	5.161	5.091	123.002	36.099	65.678
Pinellas	0.386	0.078	0.092	33.564	0.922	5.141	40.183	114.405	121.024
Polk *	125.564	38.467	29.295	66.986	4.501	8.937	273.750	69.037	275.801
Sarasota	6.491	0.180	0.460	26.574	0.662	7.504	41.871	31.669	46.966
Sumter	10.869	0.231	18.664	6.668	4.565	2.086	43.083	6.311	42.726
<b>Total</b>	<b>581.019</b>	<b>67.645</b>	<b>70.096</b>	<b>510.946</b>	<b>48.726</b>	<b>61.114</b>	<b>1339.546</b>	<b>487.857</b>	<b>1316.457</b>

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

- (1) Total (Withdrawal) - The sum of the preceding six columns and represents total water withdrawal by county for all categories.
- (2) Public Supply (Use) - Represents total consumptive use of public supply water within a county. When compared to Public Supply (Withdrawal) column, a large difference would represent an import or an export of publicly supplied water from one county to another.  
Note: Public Supply (Use) versus (Withdrawal) differences in Citrus, Hardee, Hernando, Highlands, and Marion is the result of data being obtained from two different sources with slightly different numbers (not intercounty transfers)
- (3) Total (Use) - "Total (Withdrawal)" minus "Public Supply (Withdrawal)" plus "Public Supply (Use)" and represents consumptive use of publicly supplied water in the county.

**Southwest Florida Water Management District  
Schedule Of Insurance In Force  
September 30, 2003**

<b>Policy Expiration Date</b>	<b>Types Of Coverage</b>	<b>Company</b>	<b>Policy Number</b>	<b>Annual Premium</b>	<b>Limits Of Coverage</b>	<b>Deductible</b>
10/01/03	<b>Property</b> (\$40,000,000 total blanket limits on \$88,367,880 of values including Bldgs/BPP/WCS/APD)	Royal/SunAlliance Arch Specialty TIG Specialty Westchester Surplus	KHD320514 42ESP0014000 XPT39245538 K2HD326376	\$172,178 50,035 60,035 10,035	\$5,000,000 \$5,000,000 (xs of \$5M) \$10,000,000 (xs of \$5M) \$25,000,000 (xs of \$15M) Extra Expense \$475,000	\$5,000 per occurrence Flood-\$25,000 Windstorm -2% minimum \$25,000
10/01/03	<b>Inland Marine</b>	St. Paul	IM8501672	61,040		
	Boat			incl.	Physical Damage: \$160,047	\$500
	Contractor's Equipment			incl.	\$2,891,028 (Scheduled Equipment) \$100,000 Rented Equipment \$183,370 (Unscheduled Equipment)	\$1,000 \$1,000 \$1,000
	Radio/Tower/Equipment			incl.	\$10,412	\$1,000
	Electronic Data Processing			incl.	\$14,268,683 Extra Expense-\$500,000	\$1,000 all losses
	Valuable Papers & Records			incl.	\$6,800,000	\$2,500
10/01/03	<b>Boiler &amp; Machinery</b>	Travelers	BAJ-BMG-445D4554	5,132	\$10,000,000	\$2,500
09/29/03	<b>Flood</b>	Bankers	090007377893-06 090007377895-06	1,608 1,608	\$500,000 Bldg/\$500,000 Contents Tampa Bldg 1 and TDC Only	\$500 Bldg/\$500 Contents
10/01/03	<b>All Lines Aggregate</b> General Liability Law Enforcement Liability Auto Liability Public Officials Errors and Omissions/Employment Practices (Retroactive date 10/1/93)	Royal Surplus Lines	ALA100024	156,000 incl. incl. incl.	\$1M per claim/\$2M Aggregate \$1M per claim/\$1M Aggregate \$1M per Occurrence/\$1M Aggregate \$1M per claim	\$50,000 per claim \$50,000 per claim \$50,000 per occurrence \$50,000 per claim
08/26/03	<b>Petroleum Liability</b>	Commerce & Industry	FLP7511732	675	\$1M Occurrence/\$2M Aggregate	\$500 Third Party \$300,000 Corr. Action
10/01/03	<b>Crime</b>	Travelers	103674046 <b>Subtotal</b>	4,364 <b>\$550,210</b>	\$1,000,000	\$10,000
10/01/03	Self-Insured Workers' Compensation			\$150,000	\$150,000 Budgeted for (Claims Paid FY2003) Medical/Indemnity/expenses/settlements	
10/01/03	Excess Insurance	Midwest Employers	3652-SO-FL	40,237	Statutory limits	\$500,000 SIR
09/30/03	Service Fee for TPA	Protegrity Services	02CON000096	12,275	Administration Charge (Projected-based on total # claims)	
09/30/03	State Assessment	Dept. of Insurance		44,204 <b>\$246,716</b>	Self-Insurer Assessment	
			<b>Subtotal</b>			
			<b>Total</b>	<b>\$796,926</b>		

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

**Southwest Florida Water Management District**  
**Miscellaneous Statistical Data**  
**September 30, 2003**

Highest Total Water Use By County (MGD)		Highest Total Population By County		
	Total Usage	% Of District	Total Population	% Of District
Polk County	275.801	20.95%	1,055,617	25.49%
Hillsborough County	238.505	18.12%	933,994	22.55%
Manatee County	137.663	10.46%	473,196	11.43%
Pinellas County	121.024	9.19%	361,432	8.73%
DeSoto County	95.724	7.27%	339,684	8.20%
	<u>868.717</u>	<u>65.99%</u>	<u>3,163,923</u>	<u>76.40%</u>

Hillsborough County  
Pinellas County  
Polk County  
Pasco County  
Sarasota County

**Population Projections**

	Alafia River Basin	Hillsborough River Basin	Northwest Hillsborough Basin	Coastal Rivers Basin	Pinellas-Anclote River Basin	Withlacoochee River Basin	Peace River Basin	Manasota Basin	Total SWFWMD
2005	171,851	695,055	247,761	348,691	982,751	308,319	764,082	630,100	4,185,313
2010	183,212	741,189	264,140	377,591	1,011,657	339,505	817,620	674,100	4,448,290
2020	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: 9,820 square miles  
Maximum Tax Levy-District: \$ .50 PER \$1,000 of assessed property value  
Maximum Tax Levy-Basins: \$ .50 PER \$1,000 of assessed property value  
Water Use Permits Issued: 1,001  
SWUCA Water Use Permits Issued: 5,048  
Management of Surface Water Permits Issued/Noticed General: 3  
Management of Surface Water Permits Issued/Non-Noticed General: 89  
Wetland Resource Permits/Dredge & Fill Permits Issued: 1  
Environmental Resource Permits Issued: 2,374  
Well Construction Permits Issued: 14,685  
Average Rainfall: 50-55 inches per year  
Elevation Range: 0-300 feet above mean sea level



# Single Audit





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

**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 financial statements of the governmental activities and each major fund of the Southwest Florida Water Management District (the District), a component unit of the State of Florida, as of and for the year ended September 30, 2003, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 17, 2003. 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 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 District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the 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 basic 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 the internal control over financial reporting and its operation that we consider to be material weaknesses.



KPMG LLP, a U.S. limited liability partnership, is the U.S. member firm of KPMG International, a Swiss cooperative.

This report is intended solely for the information and use of the Governing Board and management of the 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 17, 2003



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

## **Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133**

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 (the District), a component unit of the State of Florida, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the requirements described in the “Executive Office of the Governor’s State Projects Compliance Supplement”, that are applicable to each of its major federal programs and state projects for the year ended September 30, 2003. The District’s major federal programs and state 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 programs and state projects is the responsibility of the District’s management. Our responsibility is to express an opinion on the District’s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10,550, *Rules of the Auditor General*. Those standards, OMB Circular A-133, and Chapter 10.550, *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 program or state project occurred. An audit includes examining, on a test basis, evidence about the District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District’s compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs and state projects for the year ended September 30, 2003.

### **Internal Control Over Compliance**

The management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs and state projects. In planning and performing our audit, we considered the District’s internal control over compliance with requirements that could have a direct and material effect on a major federal



program or state project in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General*.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the 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 program or state 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 the internal control over compliance and its operation that we consider to be material weaknesses.

#### **Schedule of Expenditures of Federal Awards and State Financial Assistance**

We have audited the basic financial statements of the District as of and for the year ended September 30, 2003, and have issued our report thereon dated December 17, 2003. Our audit was performed for the purpose of forming an opinion on the basic financial statements 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 statements taken as a whole.

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

**KPMG LLP**

December 17, 2003

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
Schedule of Expenditures of Federal Awards and State Financial Assistance  
Year ended September 30, 2003

<u>Federal/State Grantor/Pass through Grantor</u>	CFDA, CSFA number	<u>Grant ID#</u>	<u>Expenditures</u>
<b><u>U.S. Environmental Protection Agency</u></b>			
<i>Passed through Florida Department of Environmental Protection:</i>			
Surface Water Quality Monitoring	66.419	G0032	\$ <u>51,999</u>
Broadway Outfall Stormwater Retrofit Project	66.460	WM793	29,702
Largo Regional Stormwater Treatment Facility	66.460	WM738	23,717
Stormwater Management Alternatives Demo Project	66.460	WM716	44,545
River Hills Drive Outfall #2 Stormwater Retrofit	66.460	G0038	<u>174,300</u>
Total Program			<u>272,264</u>
Total U.S. Environmental Protection Agency			<u>324,263</u>
<b><u>Federal Emergency Management Administration</u></b>			
<i>Direct Program:</i>			
Cooperating Technical Partners-Hernando Co	83.555	EMA-2002-CA-5067	<u>27,206</u>
<i>Passed through Florida Department of Community Affairs:</i>			
Arrowhead Flood Control	83.544	FEMA-1481-DR-FL	26,923
Pasco County Flood Control	83.544	FEMA-1481-DR-FL	3,712
<i>Passed through Citrus County Emergency Management</i>			
Citrus County Flood Control	83.544	FEMA-1481-DR-FL	<u>29,297</u>
Total Program			<u>59,932</u>
Total Federal Emergency Management Administration			<u>87,138</u>
<b><u>U.S. Fish and Wildlife Service</u></b>			
<i>Direct Program:</i>			
Joe's Creek Habitat Restoration	15.630	1448-40181-02-J-028	121,606
Wolf Branch Creek Upland Restoration Project	15.FFB	1448-40181-01-G-154	42,385
<i>Passed through Florida Department of Environmental Protection</i>			
North Apollo Beach Habitat Restoration Project	15.614	G0004	<u>156,900</u>
Total U.S. Fish and Wildlife Service			<u>320,891</u>
<b><u>National Oceanic and Atmospheric Administration</u></b>			
<i>Passed through Florida Department of Environmental Protection</i>			
Coastal Impact Assistance	11.419	G0002	<u>3,055</u>
Total National Oceanic and Atmospheric Administration			<u>3,055</u>
<b><u>U.S. Department of Transportation</u></b>			
Federal Planning and Construction	20.205	none	<u>1,009,401</u>
Total U.S. Department of Transportation			<u>1,009,401</u>
<b>Total Expenditures of Federal Awards</b>			<b>\$ <u>1,744,748</u></b>

(Continued)

**SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT**  
Schedule of Expenditures of Federal Awards and State Financial Assistance  
Year ended September 30, 2003  
(Continued)

<u>Federal/State Grantor/Pass through Grantor</u>	CFDA, CSFA number	<u>Grant ID #</u>	<u>Expenditures</u>
<b><u>Department of Agriculture and Consumer Services</u></b>			
Facilitating Agricultural Resource Management	37.039	007375	\$ <u>34,348</u>
Total Department of Agriculture and Consumer Services			<u>34,348</u>
<b><u>Department of Environmental Protection</u></b>			
Water Management Districts - Land Acquisition:			
Florida Forever - Land Acquisition	37.022	none	16,357,775
Florida Preservation 2000 Trust Fund	37.022	none	3,417,455
Save Our Rivers - Ancillary	37.022	none	1,559,081
Save Our Rivers - Land Acquisition	37.022	none	6,433,899
Save Our Rivers - Land Management	37.022	none	3,793,583
Save Our Rivers - Preacquisition	37.022	none	696,503
Save Our Rivers - Payment in Lieu of Taxes	37.022	none	<u>24,703</u>
Total Program			<u>32,282,999</u>
Water Management District Permitting Assistance:			
Agreement for Implementation of Permitting Requirements	37.030	GW218	<u>133,600</u>
Total Program			<u>133,600</u>
Statewide Surface Water Restoration and Wastewater Projects:			
S.W.I.M. - Water Management Lands Trust Fund	37.039	none	1,977,586
Lake Panasoffkee Restoration Project	37.039	SP537	126,382
Chassahowitzka Wildlife Mgt Area Weeki Wachee Shoreline	37.039	none	<u>99,524</u>
Total Program			<u>2,203,492</u>
Florida Springs Initiative Grant Program:			
Lawn Care Education Brochures/Research	37.052	S005	<u>2,200</u>
Total Department of Environmental Protection			<u>34,622,291</u>
<b><u>Fish and Wildlife Conservation Commission</u></b>			
Chassahowitzka Wildlife Mgt Area Weeki Wachee Shoreline	77.016	02014	<u>30,000</u>
Total Fish and Wildlife Conservation Commission			<u>30,000</u>
<b><u>Department of Transportation</u></b>			
DOT Mitigation	37.020	none	655,532
McKay Bay Melbourne Blvd Detention Pond Retrofit	55.024	A1062	<u>5,410</u>
Total Department of Transportation			<u>660,942</u>
<b>Total State Financial Assistance</b>			<u>35,347,581</u>
<b>Total Expenditures of Federal Awards and State Financial Assistance</b>			<u>\$ <u>37,092,329</u></u>

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, 2003

### **(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, 2003

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

- |     |   |                     |
|-----|---|---------------------|
| (a) | The type of report issued on the basic financial statements:  | Unqualified         |
| (b) | Reportable conditions in internal control were disclosed by the audit of the basic financial statements:                                    | None reported       |
|     | Material weaknesses:  | No                  |
| (c) | Noncompliance which is material to the basic financial statements:  | No                  |
| (d) | Reportable conditions in internal control over major federal awards programs and state projects:  | None reported       |
|     | Material weaknesses:  | No                  |
| (e) | The type of report issued on compliance for major federal programs and state projects:  | Unqualified opinion |
| (f) | Any audit findings which are required to be reported under Section 510(a) of OMB Circular A-133 or Section 215.97 <i>Florida Statutes</i> : | No                  |
| (g) | The major programs/projects tested are as follows:  |                     |
|     | Federal Programs:   |                     |
|     | Nonpoint Source Implementation Grants   | 66.460              |
|     | Federal Planning and Construction   | 20.205              |
|     | State Projects:   |                     |
|     | 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:   |                     |
|     | Federal programs  | \$ 300,000          |
|     | State projects  | 1,060,427           |
| (i) | Auditee qualified as a low-risk auditee under Section 530 of OMB Circular A-133:  | Yes                 |

**(2) Findings Relating to the Financial Statements Reported in Accordance With *Government Auditing Standards*:** None

**(3) Findings and Questioned Costs Relating to Federal Programs:** None

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





# Management Letter



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

## 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 (the District), a component unit of the State of Florida, as of and for the year ended September 30, 2003, and have issued our report thereon dated December 17, 2003.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have also issued our reports dated December 17, 2003, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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 control 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 District complied with Section 218.415, *Florida Statutes*, regarding the investment of public funds. The 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 District's financial management, accounting procedures, and internal controls. There were no recommendations to improve the 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 control 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 District's name or official title and legal authority. In that regard, the District is a public corporation created by Chapter 61-691, *Laws of Florida*, and exists and operates under Chapter 373, *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 District has determined that the 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 District, the results of our tests did not indicate that the 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 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 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.

\* \* \* \* \*

This report is intended solely for the information and use of the Governing Board and management of the 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 17, 2003