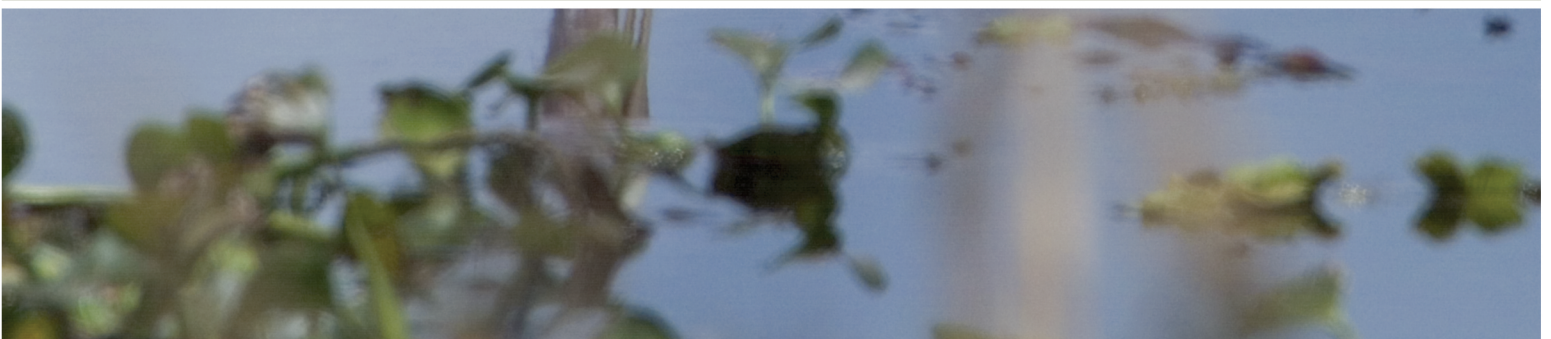


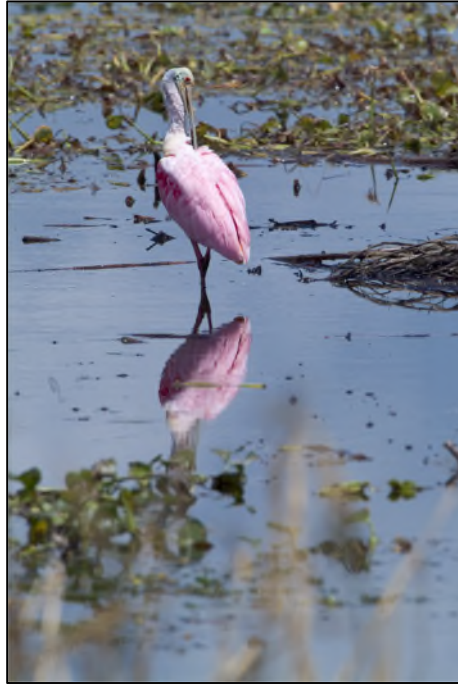


COMPREHENSIVE ANNUAL FINANCIAL REPORT

*The South Florida Water Management District
is a Component Unit of the State of Florida*

Fiscal Year Ended
September 30, 2015





Roseate Spoonbill

The roseate spoonbill is the only spoonbill native to the Western Hemisphere. Their pink coloration comes from organisms in their diet, consisting of carotenoids that contain the pigment canthaxanthin. In the South Florida region, spoonbills are found mostly in Stormwater Treatment Area 5, Everglades National Park and coastal areas.

COMPREHENSIVE ANNUAL FINANCIAL REPORT



SOUTH FLORIDA WATER MANAGEMENT DISTRICT A Component Unit of the State of Florida

Fiscal Year Ended September 30, 2015

Prepared by
Finance Bureau, Administrative Services Division
Christian Flierl, Bureau Chief



This Page has been Intentionally Left Blank

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

TABLE OF CONTENTS

INTRODUCTORY SECTION

LETTER OF TRANSMITTAL.....	I-1
ORGANIZATION CHART AND LIST OF PRINCIPAL OFFICIALS.....	I-9
GFOA CERTIFICATE OF ACHIEVEMENT	I-10
MAP OF THE GEOGRAPHIC BOUNDARIES OF THE DISTRICT	I-11

FINANCIAL SECTION

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS.....	II-1
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) (UNAUDITED)	II-3

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement of Net Position	III-1
Statement of Activities.....	III-2

FUND FINANCIAL STATEMENTS

Governmental Funds Financial Statements

Balance Sheet	III-3
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.....	III-5
Statement of Revenues, Expenditures and Changes in Fund Balances.....	III-6
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	III-8

Proprietary Funds Financial Statements

Statement of Position	III-9
Statement of Revenues, Expenses, and Changes in Fund Net Position	III-10
Statement of Cash Flows	III-11

NOTES TO THE BASIC FINANCIAL STATEMENTS.....	III-13
--	--------

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

TABLE OF CONTENTS

FINANCIAL SECTION (Continued)

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A (UNAUDITED)

BUDGET TO ACTUAL COMPARISON – MAJOR FUNDS (General and Special Revenue)

General Fund	IV-1
Okeechobee Basin SR	IV-3
Everglades Restoration Trust SR	IV-5
Lake Belt Mitigation Trust SR	IV-6
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE	
OF THE NET PENSION LIABILITY - FRS	IV-7
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS - FRS	
	IV-8
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE	
OF THE NET PENSION LIABILITY - HIS	IV-9
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS - HIS	
	IV-10
SCHEDULE OF EMPLOYER CONTRIBUTIONS - OPEB	
	IV-11
SCHEDULE OF FUNDING PROGRESS - OPEB	
	IV-11
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	
	IV-12

OTHER SUPPLEMENTARY INFORMATION

Nonmajor Governmental Funds

Descriptions of the Nonmajor Governmental Funds	V-1
Combining Balance Sheet	V-5
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	V-14
Budget to Actual Comparison - Other Major and Nonmajor Governmental Funds	
Special Revenue Funds	
Big Cypress Basin	V-24
Save Our Rivers	V-25
State Appropriations	V-26
Invasive Aquatic Plant Control	V-27
Upland Invasive Plant Control	V-28
Wetland Mitigation	V-29
Indian River Lagoon Restoration	V-30
Federal Land Management	V-31
External Grants	V-32
Everglades License Plate	V-33
Lake Okeechobee	V-34
Save Our Everglades	V-35
Land Acquisition Trust	V-36
Federal Emergency Management Agency	V-37
Florida Bay	V-38

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

TABLE OF CONTENTS

FINANCIAL SECTION (Continued)

OTHER SUPPLEMENTARY INFORMATION (Continued)

Budget to Actual Comparison - Other Major and Nonmajor Governmental Funds (Continued)

Capital Projects Funds

District.....	V-39
Okeechobee Basin	V-40
Big Cypress Basin	V-41
Save Our Rivers	V-42
State Appropriations	V-43
Everglades Trust Fund	V-44
Federal Emergency Management Agency	V-45
Florida Bay	V-46
Wetland Mitigation	V-47
Comprehensive Everglades Restoration Plan (CERP)	V-48
Federal Land Acquisition	V-49
Save Our Everglades	V-50
Comprehensive Everglades Restoration Plan – Other Creditable Fund	V-51
COPS – Everglades Forever Act.....	V-52
COPS – Comprehensive Everglades Restoration Plan.....	V-53
Lake Belt Mitigation	V-54
Lake Okeechobee	V-55

Permanent Fund

Wetland Mitigation	V-56
--------------------------	------

Internal Service Funds

Descriptions of the Internal Service Funds.....	V-57
Combining Statement of Net Position	V-58
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	V-59
Combining Statement of Cash Flows.....	V-60

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

TABLE OF CONTENTS

STATISTICAL SECTION (UNAUDITED)

Net Position by Category	VI-2
Changes in Net Position.....	VI-3
Fund Balances, Governmental Funds.....	VI-5
Changes in Fund Balances, Governmental Funds	VI-6
Revenues by Source.....	VI-8
Property Tax Revenue by County	VI-9
Direct Property Tax Rates	VI-11
Property Tax Collections	VI-12
Taxable Property Values and Just Values of Taxable Property by County.....	VI-13
Taxable Value of Property.....	VI-14
Assessed Value Per Capita	VI-15
Principal Property Tax Payers.....	VI-16
Ratios of Outstanding Debt by Type	VI-17
Pledged-Revenue Bond Coverage.....	VI-18
Demographic and Economic Statistics.....	VI-19
District Population by County.....	VI-20
Employment Data.....	VI-21
Ten Largest Employers within District Boundaries.....	VI-22
Authorized Positions per 100,000 Population	VI-23
District Employees by Resource Area and Major Program.....	VI-24
District Employees by Major Program.....	VI-25
Permit Applications Received	VI-26
Water Moved by District Pump Stations.....	VI-27
Exotic Plant Control.....	VI-28
Prescribed Burns.....	VI-29
Stormwater Treatment	VI-30
Capital Assets by Major Program.....	VI-31

DISCLOSURE SECTION (UNAUDITED)

SEC RULE 15c2-12 DISCLOSURES

District Agreement and Effective Dates.....	VII-1
Annual Financial Information.....	VII-2
Security for the Bonds.....	VII-2
Documentary Stamp Tax	VII-2
Funding and Allocation of the Trust Fund	VII-3
Use of the Trust Fund	VII-4
Escrow and Reserve Funds.....	VII-4
Security for the Certificates of Participation	VII-5
Annual Debt Service Requirements	VII-6
Audited Annual Financial Statements	VII-6
Required Notices.....	VII-7

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2015**

TABLE OF CONTENTS

SINGLE AUDIT

MANAGEMENT LETTER

ATTESTATION REPORT



This Page has been Intentionally Left Blank

INTRODUCTORY SECTION



SOUTH FLORIDA WATER MANAGEMENT DISTRICT

TO: Governing Board Members and Peter Antonacci, Executive Director

SUBJECT: Comprehensive Annual Financial Report – Fiscal Year 2015

Florida Statutes require an external audit of the financial statements be performed by a firm of independent certified public accountants to express an opinion that the basic financial statements of the South Florida Water Management District (District) are fairly presented in conformance with accounting principles generally accepted in the United States (GAAP). Pursuant to this requirement, the comprehensive annual financial report for the District is hereby issued for the fiscal year ended September 30, 2015.

Responsibility for the integrity, objectivity, accuracy, completeness and fairness of presentation of these basic financial statements rests with management. The basic financial statements were prepared in conformity with generally accepted accounting principles for governmental entities. Management believes the information to be accurate in all material respects and fairly presents the District's financial position and operating results. The report includes disclosures required to provide an understanding of the District's financial affairs.

Management is responsible for maintaining an internal control structure designed to ensure that District assets are protected from loss, theft, or misuse. The concept of reasonable assurance recognizes that the cost of a control should not exceed the expected benefits, and the evaluation of costs and benefits requires management's estimates. The Governing Board and management have a plan of organization and policies in place to safeguard assets, validate the reliability of accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies and procedures. District management believes these existing internal accounting controls adequately safeguard assets and provide reasonable, but not absolute, assurance of proper recording and reporting of District finances.

Independent auditors have audited the basic financial statements in accordance with generally accepted auditing standards and included a review of internal accounting controls to the extent necessary to express an opinion on the fairness of these basic financial statements. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the South Florida Water Management District's basic financial statements for the fiscal year ended September 30, 2015 are fairly presented, in all material respects, in accordance with GAAP. The independent auditors' report is presented as the first component of the financial section (Section II) of this report.

The independent audit of the District's basic financial statements was part of a broader federal and state mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditors to report not only on the fair presentation of the basic financial statements, but also on the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of major federal awards and major state financial assistance. These reports are available in the District's separately issued Single Audit Report.

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

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

DISTRICT BACKGROUND

South Florida's subtropical extremes of hurricane, flood, and drought combined with efforts to populate this "new frontier" led the U.S. Congress to adopt legislation creating the Central and Southern Florida Flood Control Project in 1948.

The project's primary goal was to serve the needs of the region's growing agricultural and urban populations and to protect and manage water resources. The United States Army Corps of Engineers would, over the following decades, design and build a vast network of levees, canals, water control structures, and other improved waterways designed to help manage the often unpredictable weather extremes of the region.

In 1949 the Florida Legislature created the Central and Southern Florida Flood Control District (FCD) to act as the local sponsor for the project, operating and maintaining the water control network with funding from property taxes levied within the District boundaries. Throughout its history, this regional water resource agency evolved and grew primarily in response to population growth and development and their impact on water resources.

The Florida Water Resources Act of 1972 launched the most significant change in the state's approach to natural resource management. This legislation divided the state into five regional water management districts and greatly expanded the responsibilities of the existing FCD. This included a greater emphasis on water quality and environmental protection initiatives.

The FCD was renamed the South Florida Water Management District (the "District") in 1976, and new boundaries were drawn to encompass the region's primary watersheds. Since 1949, the District has grown into a multi-faceted agency responsible for most water resource related issues – from providing flood protection and water supply protection to people living in cities and on farms to restoring and managing natural ecosystems.

The District's Governing Board is composed of nine members appointed from specific geographic areas within District boundaries. The members are appointed by the Governor and are confirmed by the Florida Senate. Appointments are made on a staggered basis and members serve without salary for a term of four years. The Board elects its own officers, including a chairman and vice-chairman.

GEOGRAPHIC BOUNDARIES OF THE DISTRICT

Water management district boundaries are based on natural, hydrological basins rather than political or county limits to allow for effective and efficient planning and management. The boundaries of the District encompass all or part of 16 south Florida counties, covering a total area of 17,930 square miles. Approximately 8.1 million people live within the District's boundaries. A map showing the geographic boundaries of the District can be found on page I-11.

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

GENERAL OPERATIONS

The District's water management system includes roughly 4,101 miles of maintained canals and levees along with 678 water control structures and weirs and 678 smaller project culverts operated by the District. The District has approximately 70 pumping stations which can move hundreds of millions of gallons of water in and out of storage areas, providing both water supply and flood protection. The man-made water management system undergoes continuous enlargement and refinement with new construction, acquisitions, and upgrades to the existing network. This enhances the system's ability to provide flood control and water supply protection as well as preserve water quality and environmental values.

District employees are located at facilities across the 16 county jurisdiction to offer the public more direct and responsive access to permitting and other agency functions. These locations include eight Field Stations located in St. Cloud, Okeechobee, Clewiston, West Palm Beach, Fort Lauderdale, Miami, Homestead, and Naples. District headquarters are in West Palm Beach with Service Centers located in Fort Myers, Naples, Orlando and Okeechobee.

The Big Cypress Basin Branch Office and Field Station are headquartered in Naples. Operations and policies for the Basin are directed by a six-member Basin Board and are carried out by Basin staff, under the direction of the Basin Administrator.

REGULATORY POWERS

The District has a number of regulatory programs designed to protect the region's water resources. Under the State's 1993 environmental streamlining initiative, land alteration activities or works affecting water resources are regulated under one type of permit – the Environmental Resource Permit. The water management districts and the Florida Department of Environmental Protection have developed uniform wetland delineation, mitigation banking, and environmental resource permitting criteria. The District is also responsible for regulating consumptive uses of water. Types of activities regulated by the District include:

- projects with impacts on wetlands or other surface waters (dredge and fill),
- use of District lands, canals, streams or aquifers,
- drainage system construction or operation, and
- well construction.

OTHER DISTRICT PROGRAMS

The District's responsibilities reach far beyond regulatory programs and operations. The District acquires, manages, and restores lands for the conservation and preservation of water resources as well as for the ancillary benefit of public recreation.

Water resource education targeted at schools and at the general public is an important District focus. Partnerships and coordination with other levels of government and other agencies help support water resource development projects, development of alternative water supplies, water conservation, reuse, and stormwater management goals.

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

Research, data collection, and analysis help ensure District projects and programs are effective and efficient. Emergency operations and management are a cornerstone of District operations, especially during the hurricane season, or the seven-month dry season when serious water shortages can occur. The District is also a leader in melaleuca, aquatic weed, and other exotic pest plant control.

REGIONAL ECONOMIC CONDITION AND OUTLOOK

Conditions in the local economy affect the District's ability to generate revenues. This is because the District's primary revenue is from ad valorem taxes, which are property taxes based on assessed values of property in the region. Population growth and the associated construction of housing and commercial structures along with unemployment and interest rates are the primary factors that contribute to changes in property prices, which result in adjustments to assessed values.

Population growth within the District's geographic boundaries has remained fairly consistent during the recent fiscal year, with a 1.6 percent increase, compared to the prior year's increase of 1.2 percent. The District's population is expected to steadily increase by 7.6 percent from 2015 through 2020, with the largest numerical increases through 2020 occurring in Lee, Miami-Dade, and Palm Beach Counties and the highest percentage growth rates occurring in Lee, Osceola, and St. Lucie Counties, according to data published by the Florida Office of Economic and Demographic Research.

Florida, along with the nation, continues to manage the slow economic conditions. The October 2015 unemployment rate for Florida was 5.4 percent compared to 6.3 percent (adjusted) from a year ago; and 5.0 percent for the entire United States compared to 5.7 (adjusted) percent from a year ago. This decrease in state and national unemployment rates suggests stabilization in the economic downturn of recent years, and the reduced unemployment rate, coupled with other economic indicators such as a moderate resurgence in the housing market and leveling off of foreclosure rates should translate into property values remaining steady in 2015 and even experiencing a slight increase over values of recent past.

The District's adopted ad valorem millage rates decreased for fiscal year 2015, to a District-wide rate of .1577 for fiscal year 2015 compared to .1685 mills for the prior fiscal year. This decrease in millage rate is a reflection of Governing Board policy to levy rolled-back millage rate which represents no tax increase. In 2011 Senate Bill (SB) 2142 set a maximum amount of revenue that can be raised each fiscal year by the five water management districts. Senate Bill 1986 subsequently superseded SB 2142, authorizing the Florida Legislature to set the maximum millage rate for each water management district, and providing legislative review and oversight for district budgets. In addition, the District's ad valorem revenue growth is limited by the Property Tax Reduction and Reform bill passed by the Florida Legislature in June 2007, which required a reduction in taxes by all local governments and special taxing districts from three to nine percent, depending on their past per capita tax increases. This legislation also limited future year revenues by setting more stringent Governing Board voting requirements to increase agency millage rates. The District's 2015 budget reflected a 0.5 percent reduction in ad valorem property taxes levied, which equates to a decrease of \$1.2 million from the prior fiscal year.

MAJOR INITIATIVES

EVERGLADES RESTORATION

Florida's Everglades are the largest subtropical wetlands in the United States and are a unique resource. The Everglades "River of Grass" contains a diversity of plants and wildlife not found anywhere else in the United States. For more than a century, human activities have altered the ecosystem to provide for the development of a growing population, agriculture, and protection against deadly hurricanes and droughts.

Today, the Everglades face critical challenges as a result of more than 100 years of human progress. Phosphorus-enriched agricultural and stormwater runoff has threatened the ecosystem's delicate balance. Other threats include changes in the quantity, distribution, and timing of freshwater; an infestation of non-native plants and animals; mercury accumulation in the tissue of some Everglades fish, birds, and other animals; and a reduction in the size of the Everglades marshes.

The **Everglades Forever Act** (EFA), passed by the Florida Legislature in 1994, directed the District to acquire land, design, permit, and construct a series of Stormwater Treatment Areas (STAs) to reduce phosphorus levels from stormwater runoff and other sources before it enters the Everglades Protection Area. The District implemented the Everglades Construction Project and the Everglades Restoration Program in order to meet the requirements of the Everglades Forever Act. In 2003, the Everglades Forever Act was amended, requiring the implementation of the Long-Term Plan for Achieving Water Quality Goals in the Everglades Protection Area (Long-Term Plan).

The **Everglades Construction Project** (ECP) was the first major step in Everglades restoration pursuant to the 1994 Everglades Forever Act. The STAs, which consist of six large constructed wetlands, totaling over 57,000 acres of effective treatment area, are the cornerstone of the ECP. Other ECP components include hydropattern improvements and diversion of stormwater flows from Lake Okeechobee. Operations and maintenance of the STAs and other features of the ECP have commenced upon completion of each individual project. The latest data indicates that over the past sixteen years, phosphorus control programs consisting of Stormwater Treatment Areas and best farming/management practices together have prevented over 4,860 metric tons of phosphorus from entering the Everglades.

The Long-Term Plan, which builds upon and expands the ECP, contains activities to achieve Everglades water quality goals and to permit the State of Florida and the District to fulfill their obligations under both the Everglades Forever Act and the Federal Everglades Settlement Agreement. The success of the Long-term Plan is predicated upon using an adaptive implementation approach, whereby the best available information is used to develop and implement incremental improvement measures as their need and utility is confirmed.

The **Comprehensive Everglades Restoration Plan** (CERP) is a 30-year plan which provides the framework for the restoration, protection, and preservation of the naturally occurring water resources of the central and southern Florida region which originate in the Everglades. As the plan's major local sponsor, the South Florida Water Management District has partnered with the United States Army Corps of Engineers to implement CERP, the goal of which is to increase water storage and improve the timing, quality, and distribution of water deliveries to the Everglades ecosystem. Principal features of the plan are the creation of new reservoirs and wetlands-based water treatment areas.

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

The United States Congress approved CERP in 2000, under the Water Resources Development Act, authorizing ten initial full-scale projects along with six pilot projects. Implementation is currently estimated to cost \$13.5 billion (at 2009 price levels, including subsequently authorized CERP revisions), according to the 2010 Report to Congress, half of which will be paid by the federal government. The estimated costs for CERP have increased to \$17.6 billion, based on price level (inflation) adjustments to 2014 dollars.

During 2005, the District launched an expedited initiative to be financed by Certificates of Participation to revitalize the ecosystem by increasing the pace on eight restoration projects included in the CERP and Everglades plans. Through fiscal year 2015, proceeds from the certificates, including interest earnings, totaling \$604.6 million have been utilized to reimburse project construction costs.

LAKE OKEECHOBEE

The Lake Okeechobee Project is a multi-year, multi-component project which is designed to improve Lake Okeechobee and its estuaries by reducing excess nutrient loading, managing water levels, and reducing or eliminating exotic plant species. In 2000, the Florida State Legislature passed the Lake Okeechobee Protection Bill, which required the District, in partnership with the Florida Department of Agriculture and Consumer Services and the Florida Department of Environmental Protection, to restore the lake and its watershed. In 2007, the project was further extended under the Northern Everglades and Estuaries Protection legislation. This legislation, which expanded the existing Lake Okeechobee Protection Bill to include the Caloosahatchee and St. Lucie Rivers and estuaries, addressed both water quality and water storage needs. Total expenditures for the Lake Okeechobee Project for fiscal year 2015 totaled \$12.2 million.

FINANCIAL POLICIES

LONG RANGE FINANCIAL PLANNING AND FINANCIAL POLICIES

In accordance with Senate Bill 1986 and budgetary guidance from the Florida Department of Environmental Protection and our Governing Board, the District has thoroughly evaluated its fiscal commitments in order to fulfill Executive and Legislative direction. The District has reduced taxes and directed its fiscal resources towards its core mission of flood control, water supply, water quality and natural systems. The District has established a five-year spend-down plan to dedicate accumulated reserves and cash balances toward further improvements in water storage and water quality in the northern and southern Everglades, Lake Okeechobee and the St. Lucie and Caloosahatchee watersheds, while ensuring sufficient reserves remain available to address hurricane or unanticipated flood control infrastructure emergencies. In addition, a long-range strategic plan is prepared which provides the District and the public it serves with a guide for successfully meeting the District's priorities for the next five years. The plan is used during the development of the annual operating budget and to achieve the long term goals of the District.

PRINCIPLES OF SOUND FINANCIAL MANAGEMENT

Management acknowledges its responsibility for sound administration of the District's financial resources. This responsibility begins with *Principles of Sound Financial Management*. These are sixteen guiding principles established by the Governing Board that reflect core business beliefs of

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

the District. One of the principles states that the District will maintain accountability and prudently use financial resources. As an integral part of the goal of fiscal accountability, management currently provides useful, timely, and accurate financial information for reporting, analysis, and decision making. The objective of this report is to clearly communicate the agency's operating results and financial position.

BUDGET ADOPTION AND CONTROLS

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 two statutorily required public hearings, the Governing Board sets millage rates and adopts a budget.

The District's level of budgetary control, defined as the lowest level at which management may not reallocate resources without approval of the Governing Board, is at the program level within a fund and resource area. The Board also approves budget transfers among departments and capital projects during the year. Chapter 373.536, Florida Statutes, provides additional guidance and criteria regarding the District's budget development, adoption and approval process. Encumbrance accounting is used to reserve budgeted appropriations of commitments for unperformed contracts for goods and services.

DEBT ADMINISTRATION

The majority of the District's debt is comprised of the unpaid balance of revenue bonds referred to as Certificates of Participation (COPS), Series 2006, and to a lesser extent, the unpaid balance of Special Obligation Land Acquisition Bonds. The certificates were issued to provide funds for the construction of projects in furtherance of Everglades restoration. Acquisition bonds were issued to finance the purchase of environmentally sensitive lands and are secured by a share of statewide documentary stamp tax collections. At September 30, 2015, the District's COPS were rated Aa3, AA and AA- by Moody's, S&P and Fitch Ratings, respectively and the District's Land Acquisition Bonds, Series 2002 and 2003 were rated A3, A+ and A by Moody's, S&P and Fitch Ratings, respectively. The total liability for the revenue bonds and the land acquisition bonds at September 30, 2015 is \$466.9 million and \$6.7 million, respectively. The District is obligated for payments on the COPS through fiscal year 2037, and on the bonds through fiscal year 2016.

Legislation passed by the Florida Legislature in 2009 limits the District's annual debt service for revenue bonds to an amount not to exceed 20.0 percent of annual ad valorem tax revenues of the District, unless otherwise approved by the Joint Legislative Budget Commission. Bonds issued and outstanding before January 1, 2009, are exempt from this statute and are not included in the calculation of this limitation.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded their Certificate of Achievement for Excellence in Financial Reporting to the South Florida Water Management District for its comprehensive annual financial report for the fiscal year ended September 30, 2014. This was the twenty-fifth consecutive year the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish

SOUTH FLORIDA WATER MANAGEMENT DISTRICT


an easily readable and efficiently organized comprehensive annual financial report, satisfying both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Management believes that the 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.

ACKNOWLEDGMENTS

Management extends its sincere appreciation to the many District employees who provide their dedicated efforts to complete the research and analysis necessary for the preparation of this report. Special thanks go to the employees of the Finance Bureau for their diligence in the production of this report.

Respectfully submitted,

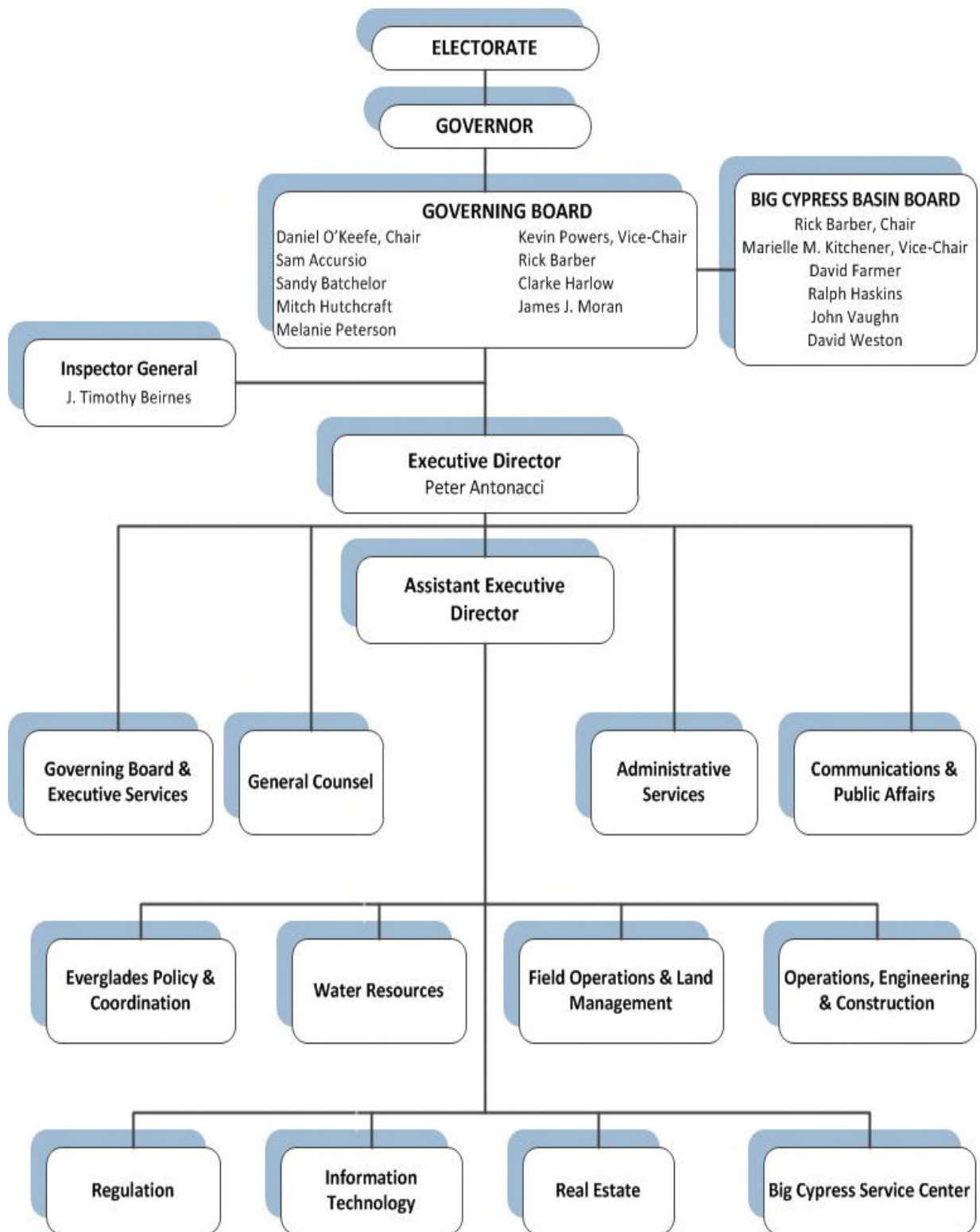


Dorothy Bradshaw
Director of Administrative Services
June 24, 2016



Christian Flierl, Chief
Finance Bureau, Administrative Services

SFWMD ORGANIZATION CHART AND LIST OF PRINCIPAL OFFICERS





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**South Florida Water
Management District**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2014

Executive Director/CEO

South Florida Water Management District Geographic Boundaries



The South Florida Water Management District (SFWMD) encompasses all or part* of 16 counties:

- | | | | |
|------------|------------|-------------|------------|
| Broward | Glades | Martin | Osceola* |
| Charlotte* | Hendry | Monroe | Palm Beach |
| Collier | Highlands* | Okeechobee* | Polk* |
| Miami-Dade | Lee | Orange* | St. Lucie |



This Page has been Intentionally Left Blank

FINANCIAL SECTION



Independent Auditor's Report

RSM US LLP

To the Governing Board
South Florida Water Management District
West Palm Beach, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the South Florida Water Management District (the District), a component unit of the State of Florida, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of September 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2 to the financial statements, the District adopted the recognition and disclosure requirements of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* – an Amendment of GASB Statement No. 27 and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* – an Amendment of GASB Statement No. 68, effective October 1, 2014. The net position balance of the District as of October 1, 2014, has been restated. Our opinion was not modified with respect to this matter.

Other Matters*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, schedules of the proportionate share of net pension liability, schedules of contributions, schedule of funding progress, and schedule of employer contributions, and the budgetary comparison schedules – General Fund, the Okeechobee Basin Special Revenue Fund, the Everglades Restoration Special Revenue Fund and the Lake Belt Mitigation Special Revenue Fund be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued, under separate cover, our report dated June 24, 2016, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

RSM US LLP

West Palm Beach, Florida

June 24, 2016

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

Management's discussion and analysis of the South Florida Water Management District's financial performance provides an overview of the District's financial activities for the fiscal year ended September 30, 2015. Please read it in conjunction with the transmittal letter beginning on page I-1 and the District's basic financial statements, which begin on page III-1.

FINANCIAL HIGHLIGHTS

- District assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources at fiscal year-end 2015 by approximately \$4.78 billion.
- Net position increased approximately \$143.0 million, or approximately 3.0 percent during the year, remaining relatively stable at \$4.78 billion at September 30, 2015. The current year's increase was partially offset by a reduction of beginning net position of \$72.0 million due to the implementation of GASB Statement Nos. 68 and 71.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$9.3 million, or about 9.4 percent of total General Fund expenditures.
- The District's total capital assets increased by \$106.6 million during the current fiscal year. This increase is the net of \$120.3 million in additions resulting from construction of various projects, and \$13.7 million in retirements.

OVERVIEW OF THE BASIC 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 includes 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. There are two basic government-wide financial statements: the statement of net position and the statement of activities. Both basic government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting.

The statement of net position presents information on all of the District's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position 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 government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the 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 can be found on pages III-1 to III-2 of this report.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

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. The District maintains governmental funds and proprietary funds.

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 a government's near-term financing requirements.

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

The District maintains 36 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Okeechobee Basin Special Revenue Fund, Everglades Restoration Trust Special Revenue Fund, Lake Belt Mitigation Special Revenue Fund, Everglades Trust Capital Projects Fund, and Save Our Everglades Capital Projects Fund, all of which are considered to be major funds. Data from the other 30 governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages III-3 to III-8 of this report.

Individual fund data for each of the 29 non-major governmental funds is provided in the form of combining statements on pages V-5 to V-22 of this report.

Proprietary funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements, which are in a manner similar to a private-sector business. Similar to the government-wide financial statements, proprietary fund financial statements focus on both short-term and long-term financial information. Proprietary fund financial statements consist of a statement of net position, a statement of revenues, expenses, and changes in fund net position and a statement of cash flows. These statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Proprietary funds can be categorized as enterprise funds or internal service funds. Enterprise funds account for goods and services provided to those outside the District, generally on a user-charge basis. Internal service funds report activities that provide supplies and services for the District's other programs and activities.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

Currently, the District maintains no enterprise funds. However, the District maintains two individual internal service funds. Information is presented combined in the statement of net position, the statement of revenues, expenses, and changes in fund net position and the statement of cash flows for the Self-Insurance Fund and the Health Benefits Fund. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The basic proprietary fund financial statements can be found on pages III-9 to III-11 of this report.

Individual fund data for each of the two proprietary funds is provided in the form of combining statements on pages V-58 to V-60 of this report.

The District adopts an annual appropriated budget for all of its funds. Budgetary comparison schedules have been provided that include the original and final appropriated budgets as well as the final actual results of operations for the General Fund, Okeechobee Basin Special Revenue Fund, and Everglades Restoration Trust Special Revenue Fund to demonstrate compliance with these budgets. The budgetary comparison schedules for these three funds are being reported as required supplementary information other than management's discussion and analysis and are presented immediately after the notes on pages IV-1 to IV-6. Budgetary comparison schedules for the other governmental funds are presented on pages V-24 to V-56 of this report.

Notes to the basic 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 basic financial statements can be found on pages III-13 to III-54 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, net position is \$4.78 billion at the close of the most recent fiscal year, an increase of \$143.0 million from the prior fiscal year, as restated. By far, the largest portion of the District's net position (91.6 percent) reflects its investment in capital assets (e.g., land, buildings, equipment) less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. All of the remaining net position plus an additional \$16.6 million are subject to external restrictions on how they may be used. As such, the District is reporting a negative unrestricted net position of \$16.6 million at the end of fiscal year 2015, which was primarily caused by the recording of a net pension liability related to the Florida Retirement System as part of the adoption of GASB Statement Nos. 68 and 71.

The balance of current and other assets at the end of fiscal year 2015 increased from the prior year balance, reflecting a net increase of \$23.6 million. A number of variances contributed to the increase, the most significant of which are increases in cash and investments, due from other

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

governments and other assets of \$20.1 million, \$21.6 million, and \$13.0 million respectively, netted against a net \$31.1 million decrease in temporarily and permanently restricted cash and investments. Total liability obligations saw an increase of \$56.2 million primarily due to the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment of GASB Statement No. 68", effective for fiscal year 2015. The implementation of GASB Statements Nos. 68 and 71 resulted in the District recording a net pension liability of \$65.7 million as of September 30, 2015 related to its pension plans. This increase was offset by the pay-down of outstanding debt (\$18.0 million) and decreases in other long-term liabilities of \$0.4 million offset by an increase in accounts payable balance of \$8.2 million. Together, the changes in current assets and total liabilities between fiscal years represents the significant portion of the change in restricted and unrestricted net position, which shows a net decrease of \$44.5 million. The increase of \$98.2 million in net investment in capital assets is primarily a result of capital assets, net of depreciation increasing by \$106.6 million from fiscal year 2014 to fiscal year 2015, and the outstanding debt associated with capital assets being reduced by \$18.0 million during the same period. Additional information relative to capital asset and long term debt activity during fiscal year 2015 can be found on pages II-16 to II-19 of this report.

Key elements of the total net position increase are presented below.

District's Net Position As of September 30		
	2015	2014
Current and Other Assets	\$ 591,749,707	\$ 568,165,087
Capital Assets, Net	4,853,700,108	4,747,093,454
Deferred Outflows of Resources	29,149,945	-
Total Assets	5,474,599,760	5,315,258,541
Current and Other Liabilities	62,781,406	54,597,908
Long-term Liabilities Outstanding	599,149,254	551,128,744
Deferred Inflows of Resources	32,106,636	-
Total Liabilities & Deferred	694,037,296	605,726,652
Net Position:		
Net Investment in Capital Assets	4,377,051,438	4,278,898,454
Restricted	420,142,620	385,052,895
Unrestricted	(16,631,594)	45,580,540
Total Net Position	\$ 4,780,562,464	\$ 4,709,531,889

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

**District's Changes in Net Position
Fiscal Years Ended September 30**

	<u>2015</u>	<u>2014</u>
Revenues		
Program Revenues		
Charges for Services	\$ 36,785,015	\$ 37,677,609
Operating Grants and Contributions	36,637,096	41,020,689
Capital Grants and Contributions	105,323,512	65,112,460
General Revenues		
Property Taxes	280,137,735	280,667,290
Investment Earnings	8,079,756	6,058,186
Other	<u>2,265,383</u>	<u>2,087,127</u>
Total Revenues	<u>469,228,497</u>	<u>432,623,361</u>
Expenses		
Land Stewardship	\$ 17,226,734	\$ 13,762,682
Mission Support	42,800,144	45,166,915
Modeling and Scientific Support	10,841,821	11,572,865
Operations and Maintenance	113,623,935	114,290,603
Regulation	18,286,488	19,194,734
Restoration	86,042,884	85,037,648
Water Supply	14,888,542	17,464,823
Interest on Long-Term Debt	<u>22,536,959</u>	<u>23,272,985</u>
Total Expenses	<u>326,247,507</u>	<u>329,763,255</u>
Increase (Decrease) in Net Position	142,980,990	102,860,106
Net Position at Beginning of Year, as restated *	<u>4,637,581,474</u>	<u>4,606,671,783</u>
Net Position at End of Year	<u>\$ 4,780,562,464</u>	<u>\$ 4,709,531,889</u>

* Balance as of October 1, 2014 was restated to reflect the adoption of GASB Statement Nos. 68 and 71. See Note 2(p) Restatement for details.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

Property taxes continue as the District's primary source of revenue. For fiscal year 2015, revenue from property taxes totaled \$280.1 million of which \$11.1 million represents Agricultural Privilege Taxes. This reflects a slight decrease of \$0.5 million, or 0.2 percent, from fiscal year 2014.

The Agricultural Privilege Tax is one of the dedicated funding sources identified in the Everglades Forever Act (EFA) and is used to fund Everglades Construction Project and Long Term Plan expenditures. Agricultural Privilege Tax revenues are based on tax roll information received from Palm Beach and Hendry counties' property appraisers. The Agricultural Privilege Tax continues to be a steady source of revenue for the Everglades Trust Fund and it is calculated based on the assessed tax-per-acre on the number of agricultural acres reflected on the tax rolls. Acres can be taken off the tax rolls due to construction and change in land status to non-agricultural use tax classification. As such, the amount collected can vary from year to year based on the acres in production in the Everglades Agricultural Area and C-139 basin. The Governing Board certifies the tax rolls at the District's Annual Tentative Budget Adoption Public Hearing held each September. During fiscal year 2015 tax revenues derived from the Agricultural Privilege Tax remained consistent with the prior fiscal year's level of \$11.4 million.

Charges for services totaled \$36.8 million for fiscal year 2015 decrease of \$0.9 million. This decrease is primarily due to a decrease Lake Belt Mitigation Water Treatment Plant Upgrade Fees.

Operating grants and contributions totaled \$36.6 million for fiscal year 2015, a decrease of approximately \$4.8 million from the prior fiscal year. This decrease is attributable to \$2.4 million of FDOT Alligator Alley Toll Revenue being shifted from the Operating to Capital category based on the spending plan. In addition, the District recognized a net \$1.9 million less in current year revenue from The State for reimbursement of expenditures related to Hurricanes Charley and Isaac. The remaining \$0.5 million net decrease represents less intergovernmental revenues recognized in fiscal year 2015 within this category.

Capital grants and contributions totaled \$105.3 million for fiscal year 2015, an increase of approximately \$40.2 million from fiscal year 2014. The majority of this increase is due to an increase of approximately \$32.2 million of deferred revenue recognized beyond that of last fiscal year. The majority of this amount is due from Florida Department of Environment related to Save Our Everglades Trust Fund. In addition, this category recognized \$6.6 million of FDOT Alligator Alley Toll Revenue, a portion which is new revenue and a portion which was recorded in the operating category in fiscal year 2014.

Investment earnings during fiscal year 2015 increased by \$2.0 million to \$8.1 million from the previous fiscal year 2014 level of \$6.1 million. This increase is due to market gains totaling \$2.6 million recognized in the fourth quarter of fiscal year 2015 due to the fall in bond yields. No such gain was recognized during the previous year.

Other Revenue consists primarily of miscellaneous revenue not otherwise designated. The total of \$2.3 million for fiscal year 2015 represents a slight increase of \$0.2 million from the prior year.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

Program Expenses totaled \$326.0 million for fiscal year 2015, a slight decrease of approximately \$0.2 million from fiscal year 2014. The three largest District programs: Operations and Maintenance, Restoration and Mission Support Programs counted for approximately \$242.5 million or 73.5 percent of the \$330.0 million in total expenses for fiscal year 2015. This is a decrease of \$2.0 million from the prior fiscal year. The other program expenses totaled \$87.5 for fiscal year 2015 and reflected an increase of approximately \$2.2 million over the previous year. The three largest District programs and the most significant reasons for variances from prior fiscal year 2014 program expenses are discussed below.

Mission Support Program expenses decreased \$2.4 million, or 5.2 percent, from \$45.2 million in fiscal year 2014 to \$42.8 million in fiscal year 2015. The most significant variances contributing to the net decrease resulted from a \$1.2 million decrease in salaries and benefits within the program and a \$1.0 million decrease in contract services, which is mostly attributable to decreases related to IT hardware and software, and IT consulting and licenses. Other offsetting variances include an increase in \$0.4 million net increase in tax collector and appraiser fees, a \$0.3 million decrease in Self Insurance charges, and a \$0.3 million decrease in depreciation.

This program delivers critical business support services such as information technology, procurement, finance, human resources, legal support, project management, internal audit, and public and executive level policy guidance. The strategic priority goal of the program is to provide the District with optimum support and logistical functions.

Operations and Maintenance (O&M) Program expenses incurred during fiscal year 2015 was \$113.6 million, a decrease of \$0.7 million from the \$114.3 million expensed in fiscal year 2014. A number of variances within the Program contributed to the net decrease in expenses; the most significant of which was a \$2.0 million reduction in salaries and fringes and \$1.9 million in inventory usage and costs of fuel offset with net increases of \$4.6 million related to various types of maintenance and repairs contracts, contractual services and other operating expenses.

This program is primarily responsible for the operation and maintenance and flood control within 16 counties of South Florida. The District's operations and maintenance consists of activities to effectively and efficiently manage the primary canals and associated structures in South Florida. Operation maintenance program activities included the C&SF Project, as well as the Big Cypress Basin, as authorized by Chapter 373 F.S and the USACE. Currently, region-wide water management is accomplished by the District's multi-purpose system, which currently includes 692 water control structures and weirs; 618 smaller project culverts; management of 71 pump stations, which send water south and through waterways eastward and westward to both coasts; and oversight of approximately 4,098 miles of canals and levees. The strategic priority goal of the Operations and Maintenance Program is to refurbish, replace, improve and manage the regional water management system by implementing flood control system refurbishment projects as part of the 50-year plan; incorporating new works into water management system operations; operating the water management system to meet flood control and water supply needs; optimizing infrastructure maintenance by adhering to, or exceeding, industry standards and best practices; and coordinating with the U.S. Army Corps of Engineers on levee inspections and improvements

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

Projects completed or significantly under way included ongoing construction on the S-5A Refurbishment; Hillsboro Canal Bank Stabilization; North Shore Trash Rakes, Gates, Paving, Automation; C-4 Canal Bank Improvements; J.W. Corbett Levee Improvement; S-13 Repowering and Automation; S-6 Tower Replacement; Other ongoing projects included BCB Field Station Relocation; Vertical Control Network - NAVD88 Upgrades; and replacement of Microwave Towers and upgrading the Control Equipment Shelters throughout the District's area of responsibility. Completion of the S-150 Replacement & Automation and G-94 Refurbishment. During the fiscal year, completion of work associated with annual programs such as the Work Control Structure Inspection Program, Gate Overhaul Program and Culvert Replacements, Other tasks include ongoing exotic plant control, mowing, vehicle inspection, pumping operations and maintenance programs.

Restoration Program expenses for fiscal year 2015 were \$86.0 million when compared to the \$85.0 million expensed in the prior year resulted in an overall increase of \$1.0 million.

This program oversees restoration projects for the agencies Coastal Watersheds, Comprehensive Everglades Restoration Plan, District Everglades, Kissimmee Watershed, and Lake Okeechobee programs. The program activities include project development through implementation; providing computer modeling, water quality monitoring, and assessment for all aspects of water management; and fulfilling the District's responsibilities outlined in the Everglades Forever Act and the Federal Settlement Agreement as well as implementation of the Comprehensive Everglades Restoration Plan. In June 2012, the State of Florida and the U.S. Environmental Protection Agency reached consensus on new restoration strategies for further improving water quality in America's Everglades. Under these strategies, the District is implementing a regional water quality plan to complete six water treatment and storage projects, implementation of additional source controls and a science plan that will ensure continued research and monitoring to improve and optimize the performance of the STAs.

During fiscal year 2015, there were 116 active projects within the Restoration Program which incurred costs. Projects included Picayune Strand Restoration and within the Dispersed Water Management Program; continued construction on the C-44 Reservoir and Stormwater Treatment Area Project; and within Restoration Strategies continued construction of the A-1 Flow Equalization Basin (FEB) Project, the L-8 FEB Project, G-541 and L-8 Divide Structure; and the STA-1 West Expansion.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with budget-related legal requirements. 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 financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

General Fund

The General Fund is the chief operating fund of the District. It accounts for all financial resources, except those accounted for in another fund. This fund accounts for District-wide expenditures and is supported primarily by ad valorem property taxes, permit fees and investment earnings.

At fiscal year-end, the fund balance of the General Fund was \$63.6 million, of which \$55.9 million was either assigned or unassigned and \$7.7 million was committed to various District projects. As a measure of the General Fund's liquidity, it may be useful to compare both assigned and unassigned fund balance and total fund balance to total fund expenditures. Assigned/unassigned fund balance represents 56.5 percent of the General Fund expenditures totaling \$99.0 million, while total fund balance represents 64.3 percent of that same amount. Revenues exceeded expenditures by \$20.0 million and the General Fund had net operational transfers to other funds amounting to \$19.8 million resulting in a slight increase in fund balance of \$0.2 million.

Total revenues in the General Fund increased approximately \$0.9 million from the prior year. The majority of the increase relates to investment earnings and other revenues. Investment earnings increased between the fiscal years by approximately \$0.5 million, primarily due to a significant net market gain on investments. Other revenues also increased by approximately \$0.4 million largely due to the District receiving a refund for life insurance (prior years: 2009 through 2013) from Insurance Provider.

Total expenditures decreased approximately \$4.6 million, or .4 percent, in fiscal year 2015 to \$99.0 million. The most significant variances contributing to the net decrease resulted from a \$2.7 million reduction in salaries and fringes; \$1.0 million less spent in fiscal year 2015 compared to the prior year relative to interagency agreements with local, state and federal governments; and \$0.5 million in inventory usage for chemicals, fuel, and parts. Other decreases in operating expenditures were realized in various types of parts and supplies including computer related of \$1.1 million and other operating expenditures netting to \$0.4 million. A number of offsetting variances contributed to the net increase of \$1.1 million in contractual services expenditures; the most significant of which was approximately \$3.0 million in external provider contracts with net reductions in aquatic spraying services, computer software licenses and IT consulting services of \$1.9 million.

Operating transfers from the fund netted to a total of \$19.8 million for fiscal year 2015. Of significance, transfers-out in the amount of \$22.5 million went to the District Capital Projects Fund, representing the General Fund's annual contribution to fund planned capital projects and debt service on the Certificates of Participation. Operating transfers into the General Fund totaled \$2.7 million, from the District Capital Projects Fund and Comprehensive Everglades Restoration Plan-Other Creditable Fund to fund related non-capital expenditures.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

Okeechobee Basin Special Revenue Fund

The Okeechobee Basin Special Revenue Fund is restricted to accounting for revenues and expenditures within all or part of a 15-county area designated as the Okeechobee Basin. Revenue is provided by ad valorem property taxes, intergovernmental funding, permit fees, investment earnings and other sources.

The total fund balance of the Okeechobee Basin Special Revenue Fund at September 30, 2015 was \$116.2 million, an increase of \$8.3 million from fiscal year 2014. Of the \$116.2 million in total fund balance, \$111.7 is restricted due to the Governing Board obligating these funds for future fiscal years (FY2017-FY2020) and the remaining \$4.5 million in non-spendable inventory reserve.

Revenues in excess of expenditures of \$37.9 million were offset by a \$29.6 million decrease related to net transfers out of the Fund. Total revenues recorded in the Okeechobee Basin Special Revenue Fund of \$125.6 million represent an increase of \$5.0 million from the prior year total of \$120.6 million. The increase is largely attributable to approximately \$3.3 million in other revenues comprising of \$3.0 million received this fiscal year from FEMA recorded as Refund of Prior Year Expenditures for funding the District paid in the prior year due to de-obligated costs related to Hurricane Charlie and an overall increase in miscellaneous income of \$0.3 million largely attributed to the District receiving a refund for life insurance (prior years: 2009 through 2013) from Insurance Provider and; an increase \$1.4 million in intergovernmental revenues from federal sources; and an increase of \$0.5 million in investment earnings due to higher rate of return and gain on investments during fiscal year 2015.

Total expenditures decreased by \$4.9 million, or 5.0 percent in fiscal year 2015 to \$87.7 million. This decrease was primarily due to net decreases in various contract services costs of \$1.7 million; salaries and fringe benefits of \$1.6 million and fuel costs of \$1.0 million.

In fiscal year 2015, operating transfers recorded within the fund netted to a total of \$29.5 million. Operating transfers-in of \$32.3 million was transferred to the Okeechobee Basin Capital Projects Fund to support scheduled capital improvement projects. Operating transfers-out of \$3.0 million was transferred into the fund from the Okeechobee Basin Capital Projects Fund to pay for related non-capital expenditures during the year.

Everglades Restoration Trust Special Revenue Fund

The Everglades Restoration Trust Special Revenue Fund accounts for fiscal activity related to the operations and maintenance of the Stormwater Treatment Areas (STAs) as required by the Everglades Forever Act. Funding is provided through a .0548 mill tax levy; non-ad valorem assessments to property owners in the Everglades Agricultural Area; Alligator Alley toll revenues pursuant to Florida Statutes; and interest earnings.

At September 30, 2015, total fund balance amounted to \$16.0 million, of which the entire amount is restricted. The fund balance is restricted due to the Governing Board obligating these funds for future fiscal years (FY2017-FY2020) Budget Stabilization of \$1.6 million; Okeechobee Basin operations of \$11.3 million; and future projects consisting of approximately \$3.0 million for Restoration Strategies projects and LTP Everglades Source Control projects. Ad valorem and agricultural privilege tax revenues of \$35.6 million and \$11.1 million, respectively, were recognized in fiscal year 2015, which is comparable to prior year revenues of \$35.7 million and \$11.4 million.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

Revenues of the Everglades Restoration Trust Special Revenue Fund decreased from 2014 by approximately \$3.0 million from \$52.3 million to \$48.3 million in fiscal year 2015. Transfers-out to other funds totaled \$20.2 million, with \$19.6 million going to the Everglades Restoration Trust Capital Projects Fund for Everglades Forever Act debt service and capital expenditures and the remaining \$0.6 million to the Everglades Trust Capital Projects Fund for related capital expenditures. Transfers-in from the Everglades Trust Capital Projects Fund totaled \$6.3 million to fund one-time fiscal year 2015 expenditure items in the Everglades Restoration Trust Special Revenue Fund.

Lake Belt Mitigation Special Revenue Fund

The Lake Belt Mitigation Special Revenue Fund accounts for revenues received pursuant to Chapter 373.41492, Florida Statutes, which requires mitigation from the impacts of rock mining in the Lake Belt area of Miami-Dade County, and related expenditures incurred towards the restoration and management of environmentally sensitive lands.

At September 30, 2015, total fund balance was \$60.7 million, of which the entire amount is restricted. The restriction is due to the Governing Board obligating these funds for future fiscal year (FY2017-FY2020) acquisition, restoration and/or management of environmentally sensitive lands and for Lake Belt Wetland creation, restoration and management. Fund balance increased \$16.9 million, the net of the \$17 million that revenues exceeded expenditures during the year and transfers-out of \$0.1 million.

Revenues in the fund totaled \$18.1 million which consisted of various Lake Belt Mitigation Permit fees of \$17.4 million and investment earnings of \$0.7 million at the end of fiscal year 2015.

During fiscal year 2015, expenditures totaled \$1.1 million. The majority of the expenditures related to the C-139 Annex Mitigation Project.

Operating transfers-out totaled \$0.1 million which comprised of a transfer to the Wetland Mitigation Permanent Fund for Long-Term Management and to the Save Our Rivers Capital Projects Fund to fund related capital expenditures.

Everglades Trust Capital Projects Fund

The Everglades Trust Capital Projects Fund was established to account for and report financial resources that are restricted, committed or assigned to construct Stormwater Treatment Areas (STAs) which cleanse stormwater runoff from the Everglades Agricultural Area (EAA) through naturally occurring biological and physical processes. Additional objectives include hydroperiod restoration and water supply. Revenue for this fund is provided mainly through operating transfers from the Everglades Restoration Trust Special Revenue Fund.

During fiscal year 2015, the fund balance of the Everglades Trust Capital Projects Fund decreased \$5.8 million to \$91.0 million at fiscal year-end.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

Total revenues in the fund increased by \$0.5 million; to \$1.6 million. This increase relates to investment earnings, which saw a \$0.4 million increase between fiscal years primarily due to a significant net market gain on investments.

Total expenditures decreased by approximately \$2.5 million in fiscal year 2015 to \$21.3 million. This decrease was primarily due to no land purchases during fiscal year 2015 when compared to the land acquisition and associated costs (title fees) of \$2.2 million which occurred in the prior year.

For fiscal year 2015, operating transfers netted to a total of \$13.9 million. Transfers-in from other funds totaled \$20.2 million to fund the annual Everglades Forever Act Debt Service Payments and support costs associated with capital outlay incurred towards projects pursuant to the Everglades Forever Act for restoration of the Everglades. The recipient fund was the Everglades Restoration Trust Special Revenue Fund. Transfers-out to other funds totaled \$6.3 million to fund one-time fiscal year 2015 expenditure items in the Everglades Restoration Trust Special Revenue Fund.

Save Our Everglades Capital Projects Fund

The Save Our Everglades Capital Projects Fund accounts for revenues and capital expenditures for the Comprehensive Everglades Restoration Plan (CERP) and the Northern Everglades Estuary Protection Program (NEEPP) which are funded from the State's Save Our Everglades Trust Fund.

During fiscal year 2015, the fund balance of the Save Our Everglades Capital Projects Fund decreased \$25.3 million to (\$27.7) million from the previous fiscal year of (\$2.4) million. This deficit is expected to be funded by pending and future reimbursements from Florida Department of Environmental Protection.

Revenues in the fund decreased \$7.7 million from the prior fiscal year to \$42.6 million. Multiple changes This decrease is due an increase in deferred revenues in fiscal year 2015 of \$13.2 million and a decrease in L-8 funding of \$6.3 million, coupled with fiscal year 2014 revenues of \$26.1 million received from Palm Beach County for the purchase of approximately 1.9 thousand acres of land related to the Loxahatchee River Watershed Restoration Project, which did not have comparable revenues in the current year. These decreases were offset by increases in intergovernmental revenues related to C-44 Reservoir and Stormwater Treatment Area (\$21.8 and \$5.6 million, respectively) and the Restoration Strategies A-1 Flow Equalization Basin (\$8.3 million). The remaining variance is due to decreases in funding for various other projects.

During fiscal year 2015, no operating transfers were recorded in the Save Our Everglades Capital Projects Fund.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

GENERAL FUND BUDGETARY HIGHLIGHTS

Final budgeted revenues and expenditures in the final General Fund budget were \$115.8 million and \$138.5 million, respectively. Budgeted revenues remained the same from the original adopted budget for fiscal year 2015, while budgeted expenditures increased (approximately \$2.6 million) from the original budget. Actual revenues were \$3.2 million (2.7 percent) more than the budget.

At the end of fiscal year 2015, the General Fund budget for Administrative Services and Executive Offices reflected a remaining available balance of \$8.9 million. This was primarily due to outstanding encumbrances in the Mission Support Program and the Restoration Program totaling approximately \$1.3 million. The majority of the outstanding encumbrances in Mission Support related to the Information Technology and Office of Counsel organization units, and the outstanding encumbrance in the Restoration Program related to local government agreements with various counties and contractual services.

At the end of fiscal year 2015, the General Fund budget for Operations and Maintenance reflected a remaining available balance \$3.6 million. Of that amount, \$1.5 million was attributed to the Operations and Maintenance Program and consisted of approximately \$0.3 million in unspent budget due to salaries and fringes and lower fuel costs and \$1.2 million in outstanding encumbrances related to the CERP Bio-Control Implementation Project (\$0.7 million) and the SCADA Stilling Wells/Platform Replacement Project (\$0.4 million). The remaining available budget can be attributed to \$1.6 million of outstanding encumbrances related to the C-44 Reservoir/STA Project, Picayune Strand Restoration Project, other contractual services, and Restoration Program consisting of salaries and fringes.

The final amended General Fund budget included \$25.0 million in reserves comprised of managerial reserves of \$9.3 million and \$15.7 million in contingency reserves. The District does not expend funds directly out of managerial or contingency reserve accounts. The use of this funding requires Governing Board budget transfer approval, authorizing the movement of budget authority out of managerial reserves and/or contingency reserves to a District program within a resource area's operating or capital budget.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

As of September 30, 2015, the District's investment in capital assets was \$4.9 billion, up \$106.6 million from the end of fiscal year 2014. This investment in capital assets includes land, easements, canals and levees, buildings, intangibles, equipment, improvements, water control structures, and construction in progress.

Capital Assets (net of depreciation)

	<u>2015</u>	<u>2014</u>
Land	\$2,575,585,166	\$ 2,564,959,930
Easements	72,741,276	70,390,549
Canals and Levees	702,354,410	702,110,108
Buildings	83,744,955	84,503,044
Intangibles	10,640,487	8,617,340
Equipment	36,355,432	40,636,068
Improvements	13,799,118	14,990,688
Water Control Structures	811,472,668	813,466,178
Construction in Progress	<u>547,006,596</u>	<u>447,419,549</u>
Total	<u>\$ 4,853,700,108</u>	<u>\$ 4,747,093,454</u>

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

Construction in Progress Highlights

The District's investment in construction in progress increased \$99.6 million during fiscal year 2015. This change is primarily due to the net effect of the following:

- \$120.8 million expended on continuing projects as follows:
 - \$35.2 million expended on C-44 Reservoir/STA
 - \$32.5 million expended on Restoration Strategies EAA A-1 FEB
 - \$16.4 million expended on L-8 Reservoir Infrastructure
 - \$6.7 million expended on Restoration Strategies STA 1W Expansion #1
 - \$30.0 million expended on other projects
- \$20.8 million related to completed projects which were transferred out of construction in progress, the most significant of which are:

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

- \$5.0 million for Operations Decision Supports System (software design).
- \$2.9 million for G94 Refurbishment (Water Control Structure)
- \$2.8 million for Miami Field Station B47 Building Replacement
- \$2.6 million for Lower Floridan Aquifer Investigation, Kissimmee Basin
- \$7.5 million for other projects.

Land Highlights

The District's investment in land increased \$10.6 million during fiscal year 2015. This change is primarily due to the net effect of the following:

- \$23.0 million expended on new land acquisitions:
 - \$17.4 million expended on lands acquired to build projects and implement programs to restore America's Everglades from the Kissimmee Headwaters to Florida Bay
 - \$4.0 million expended on lands acquired for Kissimmee River Restoration and Headwaters revitalization
 - \$1.6 million expended on other lands
 - \$11.2 million related to retirements of unused lands and other adjustments.

Equipment Highlights

The District's investment in equipment decreased \$4.3 million during fiscal year 2015. This change is primarily due to the net effect of the following:

- \$7.1 million of depreciation on equipment
- \$2.2 million expended on the purchase of new equipment, vehicles and computer hardware
- \$1.1 million of electrical motor pumps was transferred from construction in progress
- \$0.5 million representing the net effect of the retirement of equipment

Additional information on the District's capital assets can be found in Note 9 on page III-34 of this report.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

LONG-TERM DEBT ADMINISTRATION

At the end of fiscal year 2015, the District had \$473.6 million in total outstanding long-term debt, representing a decrease of \$18.1 million from the prior year. The balance is comprised of bonds and Certificates of Participation (COPS).

Long-term Debt Outstanding

	2015	2014
Special Obligation Land Acquisition Bonds	\$ 6,705,000	\$ 13,105,000
Certificates of Participation	466,940,000	478,550,000
Total	\$ 473,645,000	\$ 491,655,000

The Special Obligation Land Acquisition Refunding Bonds Series 2002 (\$2.5 million) and Series 2003 (\$4.2 million) finance the acquisition of environmentally sensitive lands. Documentary stamp tax revenues provided through the State of Florida's Water Management Lands Trust Fund secure the repayment of this debt.

In November 2006, the District issued \$546.1 million in Certificates of Participation to provide for the lease-purchase financing of the acquisition, construction, and equipping of certain expedited Everglades Restoration projects. The outstanding balance at the end of fiscal year 2015 was \$466.9 million.

At September 30, 2015, the District's COPS were rated Aa3, AA and AA- by Moody's, S&P and Fitch Ratings, respectively and the District's Land Acquisition Bonds, Series 2002 and 2003 were rated A3, A+ and A by Moody's, S&P and Fitch Ratings, respectively. A bond rating indicates the investment quality of the bonds, which is based on an assessment of the economic and financial condition of the agency, and is reflective of the overall managerial expertise of the agency. The District strives to maintain superior bond rating for its obligations in order to realize more favorable borrowing costs.

Debt Management Policy

Since the 1990's, the District made a commitment to the citizens of South Florida to operate in accordance with sixteen guiding principles designed to achieve and maintain the highest standards of fiscal accountability. The Governing Board of the District adopted a *Debt Management Policy* in May 1993, which was updated in April 2005 and revised again in October 2008. The policy and related guidelines enables the District to identify and address potential concerns and alternatives early in the capital planning and debt issuance process.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

The policy directs the District to:

- Exhibit purposeful restraint in incurring debt.
- Follow a policy of full disclosure in all financial reports and official statements issued for indebtedness.
- Refrain from issuing short-term debt that requires repeated annual appropriation.
- Limit long-term debt to no more than the estimated life of the capital assets financed and refrain from issuing debt to finance current operations or normal maintenance.
- Project debt requirements on a five-year basis to facilitate better short-term decisions in light of other priorities that may arise, and examine the longer-range implications and effects of debt issuance.

Included in the District's adopted *Debt Management Policy* are benchmarks which are self- imposed boundaries and not statutorily established levels of acceptance dedicated to prudent debt management. The District's debt burden shall not exceed the benchmark levels, as described below, and no additional debt shall be authorized if the projected debt burden would exceed these levels:

- The net debt per capita shall not exceed \$350.
- Debt service shall not exceed 30 percent of revenues legally available to the District to pay debt service including, but not limited to, the available ad-valorem revenues, related interest income thereon and permit fee revenue.
- The debt-to-assessed value shall not exceed 0.30 percent of the assessed value of property within the District.

Florida Statute requires that total annual debt service for debt issued after January 1, 2009 cannot exceed 20 percent of the annual ad valorem tax revenues, unless approved by the Joint Legislative Budget Commission.

Additional information about the District's long-term debt can be found in Note 10 on pages III-35 through III-36 of this report.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Economic Outlook

Ad valorem property taxes continue to be the District's largest single, ongoing source of revenue. Approximately 35.6 percent of the District's fiscal year 2016 budget is projected to be funded through ad valorem tax revenues. Taxable property values within the District increased by 6.6 percent from \$694.9 billion in 2014 to \$741.0 billion in 2015. Ad valorem taxes projected for fiscal year 2016 are \$266.9 million, an estimated \$1.0 million more than the prior year. This increase in ad valorem revenue is a result of increased new construction values offsetting the reduction in prior year taxable values.

The District's fiscal year 2016 budget is based on a rolled-back millage rate calculated pursuant to Section 200.065, F.S. Method of Fixing Millage to maintain baseline ad valorem revenue at \$265.9 million. Rolled-back millage rates do not provide a continuation level of baseline Ad Valorem revenue due to reduced prior year final taxable values. The adopted rates will generate \$263.0 million in baseline revenues, plus \$3.9 million of new construction, for total ad valorem revenue of \$266.9 million.

The remaining revenue budget includes anticipated funding from state and federal sources, as well as from fees and investment earnings. State revenues, which are the District's second major source of funding, are projected at \$181.4 million, primarily from the Save Our Everglades Trust Fund and Land Acquisition Trust Fund in support of initiatives related to Everglades' restoration.

The District recognizes the importance of how available revenues can change in response to economic factors. There are many economic factors to consider and monitor relating to the District and changes in these economic factors directly impact the District's financial health and future revenue outlook. The following discussion will focus on economic factors affecting the District's ad valorem revenue budget and were considered in preparing the budget for the 2015 fiscal year.

Property Values

Property values have a significant and direct impact on ad valorem taxes. An increase in property values will often indicate a healthy economy. Counties experiencing population and economic growth are likely to experience long-term increases in property values due to increased demand for homes. Since property values are the primary revenue source of the District, the District monitors the market values and continues to perform rolled-back rate calculations in accordance with the Truth In Millage (TRIM) process in an effort to achieve a stabilized revenue source.

The housing market has deteriorated significantly since its peak at the end of 2006 and Florida has been one of the hardest hit states along with Arizona, California, and Nevada. This downturn, which began in 2007, can be attributed to soaring home prices and over-supply from home builders and investors. These conditions resulted from the easing of underwriting standards and the consumers increased appetite for risk, making it less difficult for prospective homebuyers to qualify for a mortgage. In order to afford a home, homebuyers became increasingly dependent on exotic mortgage products intended to reduce down payments and monthly payments. After reaching the lowest levels in late 2010 / early 2011, property values have seen a gradual increase in the past five years, with indications of stabilization to moderate gains through 2016, as further depicted by trend data presented under the Home Prices section.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

Foreclosures

According to RealtyTrac®, the leading online marketplace for foreclosure properties, foreclosure filings, which include default notices, scheduled auctions, and bank repossessions, were reported on 890,329 properties in the United States as of the report date, compared to the prior year of 922,267 properties. Their report shows a nationwide foreclosure rate of one in every 1,308 U.S. housing units, compared to one in every 1,316 twelve months prior. Florida, one of the top five states for foreclosure rates, reflected a foreclosure rate of one in every 727 units, compared to one in every 518 units reported last year. Of the five top counties in Florida, in terms of foreclosure rates only Okeechobee is within the District’s boundaries. In April 2016, the number of properties that received a foreclosure filing in Florida was equal to the previous month and 42.0% lower than the same time last year.

In summary, while foreclosure rates decreased nationwide and Florida’s foreclosure rates decreased as well over the past year, Florida continues to lead the nation in foreclosures. Out of the 16 counties residing within the District’s tax base, 13 of them have foreclosure rates higher than the national average rate and 6 of them have foreclosure rates higher than the statewide rate. Therefore high foreclosure rates will have a continuing impact on economics of the region and accordingly, tax revenues available to the District.

Home Prices

The Federal Housing Finance Agency’s House Price Index indicates that home prices have increased slightly since bottoming out in 2011 when real estate values saw declines in the fifty percent range compared to peaks in 2007. Home prices and property values in central and south Florida have seen a continual and steady resurgence over the past few years, gaining a portion of the market loss of 10 to 12 percent on average compared to the low experienced in 2011. While home prices continue to be significantly below the peaks of late 2006, recent trends indicate a continual upward movement in value. The Federal Housing Finance Agency Home Price Index, graphically depicted below, measures the average change in value of residential real estate in central and southern Florida given a constant level of quality.

Federal Housing Finance Agency Home Price Index 2006 – 2015

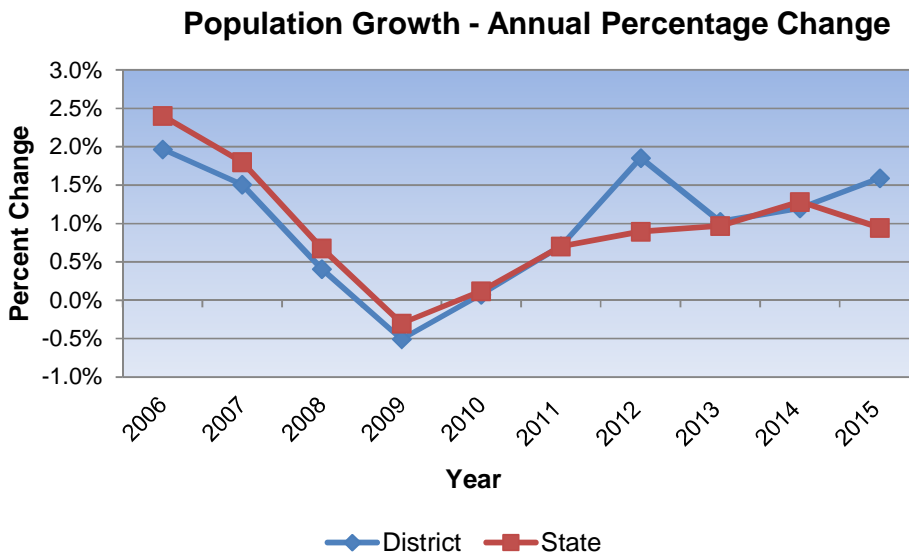


**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

Population Growth

Another economic factor driving ad valorem taxes is population growth and the impact it has on property values. Population growth impacts property values because as the population increases, demand for homes increases, which results in higher property values. This relationship between the real estate market and change in population will affect District revenues because ad valorem taxes are collected from property owners based on property values set by the respective county property appraiser. It is important to monitor population trends to effectively develop future budgets capable of being supported by the tax base. In addition, as the population increases, the use of water resources increases, which amplifies the need to protect and restore natural resources and manage and regulate the usage and storage of the region's water supply.

In 2015, the District's population increased by 1.59 percent, compared to the prior year's increase of 1.2 percent. Over the past ten years (2006 to 2015) the population growth across the District averaged 1.42 percent. The rate of population growth within the District's boundary is consistent with the state-wide trend as shown below with exception of 2012 and 2015:



Source: State of Florida, Office of Economic & Demographic Research

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2015**

General Fund – Assigned and Unassigned Fund Balance

At the end of fiscal year 2015, the total assigned and unassigned fund balance in the General Fund was \$55.9 million. This represents an increase of \$7.4 million or approximately 15.3 percent from the comparable fund balance reported in fiscal year 2015. The District has appropriated \$46.7 million of the \$55.9 million for spending in the fiscal year 2016 budget.

NEXT YEAR'S BUDGETS AND RATES

The District's fiscal year 2016 adopted millage rates are lower than fiscal year 2015 rates. In fiscal year 2016, all property owners within the District's boundaries will be assessed a District-at-Large millage rate of .1459 mills, reduced from the prior year's rate of .1577 mills. In addition, property owners within the Okeechobee Basin will be assessed both the Okeechobee Basin tax rate of .1586 mills and the Everglades Construction Project tax rate of .0506 mills, both of which are reduced from the fiscal year 2015 rates of .1717 and .0548, respectively, for a combined tax assessment of .3551 mills. Property owners within the Big Cypress Basin will be assessed the Big Cypress Basin millage rate of .1429 mills, which represents a reduction from the fiscal year 2015 rate of .1520, and the District-at-Large tax rate of .1459 mills, for a combined tax assessment of .2888 mills. State law limits the combined District-at-Large and basin tax millage for each of the two basins at 0.8 mills (80 cents per \$1,000 of taxable value). The state constitutional limit is slightly higher at 1 mill (\$1.00 per \$1,000 of taxable value). Consequently, the District's approved budget for fiscal year 2016 totals \$749.6 million, an increase of approximately \$27.6 million from the fiscal year 2015 amended budget of \$722.0 million.

Requests for Information

The District's basic financial statements are designed to present users (citizens, taxpayers, customers, investors and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. If you have questions about the report or need additional financial information, contact the District's Finance Bureau Chief, Administrative Services Division at P.O. Box 24680, West Palm Beach, Florida 33416-4680.



This Page has been Intentionally Left Blank

FINANCIAL SECTION

BASIC FINANCIAL STATEMENTS

**South Florida Water Management District
Statement of Net Position
September 30, 2015**

	<u>Total Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 379,659,140
Accounts Receivable	1,293,533
Due from Other Governments	41,991,876
Inventory	4,799,677
Prepays	75,000
Other Assets	16,386,607
Restricted Assets:	
Temporarily Restricted	
Cash and Investments	131,893,685
Permanently Restricted	
Cash and Investments	15,650,189
Capital Assets	
Land and Easements	2,648,326,442
Construction In Progress	547,006,596
Canals and Levees	702,354,410
Other Capital Assets, Net of Depreciation	956,012,660
Total Assets	<u>5,445,449,815</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pensions	29,149,945
Total Deferred Outflows of Resources	<u>29,149,945</u>
LIABILITIES	
Accounts Payable	61,567,028
Due to Other Governments	214,378
Unearned Revenue	1,000,000
Due Within One Year	
Bonds Payable	6,705,000
Certificates of Participation Payable	12,165,000
Compensated Absences	10,686,000
Self Insurance Claims Payable	2,385,404
Due in More Than One Year	
Certificates of Participation Payable, Net of Unamortized Premiums/Discounts	466,661,841
Compensated Absences	3,054,300
OPEB Obligation	29,074,409
Self Insurance Claims Payable	2,697,815
Net Pension Liability	65,719,485
Total Liabilities	<u>661,930,660</u>
DEFERRED INFLOWS OF RESOURCES	
Pensions	32,106,636
Total Deferred Inflows of Resources	<u>32,106,636</u>
NET POSITION	
Net Investment in Capital Assets	4,377,051,438
Restricted for:	
Debt Service	30,676,809
Wetlands Mitigation	
Expendable	26,235,007
Nonexpendable	15,650,188
Environmental Programs	317,637,626
Capital Construction	29,942,990
Unrestricted (Deficit)	(16,631,594)
Total Net Position	<u>\$ 4,780,562,464</u>

See Accompanying Notes to the Financial Statements

**South Florida Water Management District
Statement of Activities
For the Year Ended September 30, 2015**

Functions/Programs	Program Revenues				Net Revenue (Expense) and Change in Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities	
Land Stewardship	\$ 17,226,734	\$ 20,801,570	\$ 3,869,549	\$ 862,500	\$ 8,306,885	
Mission Support	42,800,144	12,240,195	199,427	-	(30,360,522)	
Modeling and Scientific Support	10,841,821	-	43,733	-	(10,798,088)	
Operations and Maintenance	113,623,935	99,695	14,804,859	271,937	(98,447,444)	
Regulation	18,286,488	3,643,555	12,955	-	(14,629,978)	
Restoration	86,042,884	-	17,603,573	104,189,075	35,749,764	
Water Supply	14,888,542	-	103,000	-	(14,785,542)	
Interest on Long Term Debt	22,536,959	-	-	-	(22,536,959)	
Total	\$326,247,507	\$ 36,785,015	\$ 36,637,096	\$ 105,323,512	(\$ 147,501,884)	
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes						233,437,089
Property Taxes, Levied for Everglades Restoration						46,700,646
Investment Earnings						8,079,756
Miscellaneous						2,265,383
Total General Revenues						290,482,874
Change in Net Position						142,980,990
Net Position at Beginning of Year, as restated (see note 2(p))						4,637,581,474
Net Position at End of Year						\$ 4,780,562,464

See Accompanying Notes to the Financial Statements

**South Florida Water Management District
Balance Sheet
Governmental Funds
September 30, 2015**

	General	Okeechobee Basin Special Revenue	Everglades Restoration Trust Special Revenue	Lake Belt Mitigation Special Revenue
ASSETS				
Cash and Investments	\$ 70,827,081	\$ 98,011,346	\$ 16,539,363	\$ 45,384,185
Cash Held by Trustee	-	-	-	-
Accounts Receivable	118,853	634,961	30,982	45,017
Due from Other Governments	1,012,240	1,696,045	355,982	-
Due from Other Funds	-	17,217,647	-	-
Inventory	-	4,506,245	-	-
Other Assets	105,844	-	-	15,365,388
Total Assets	\$ 72,064,018	\$ 122,066,244	\$ 16,926,327	\$ 60,794,590
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES & FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 8,245,789	\$ 4,825,714	\$ 907,423	\$ 68,446
Due to Other Governments	29,500	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenue	-	-	-	-
 DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	144,626	1,064,021	-	-
Total Liabilities & Deferred Inflows of Resources	8,419,915	5,889,735	907,423	68,446
 FUND BALANCES				
Nonspendable	-	4,506,245	-	-
Restricted	-	111,670,264	16,018,904	60,726,144
Committed	7,703,792	-	-	-
Assigned	46,652,734	-	-	-
Unassigned	9,287,577	-	-	-
Total Fund Balances	63,644,103	116,176,509	16,018,904	60,726,144
Total Liabilities, Deferred Inflows of Resources & Fund Balances	\$ 72,064,018	\$ 122,066,244	\$ 16,926,327	\$ 60,794,590

See Accompanying Notes to the Financial Statements

Continued

**South Florida Water Management District
Balance Sheet
Governmental Funds
September 30, 2015**

	Everglades Trust Capital Projects	Save Our Everglades Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Investments	\$ 77,813,253	\$ 1,188,464	\$ 167,110,902	\$ 476,874,594
Cash Held by Trustee	13,168,348	-	19,526,095	32,694,443
Accounts Receivable	78,396	-	343,658	1,251,867
Due from Other Governments	-	33,949,213	4,978,396	41,991,876
Due from Other Funds	-	-	715,078	17,932,725
Inventory	-	-	293,432	4,799,677
Other Assets	-	-	75,375	15,546,607
Total Assets	\$ 91,059,997	\$ 35,137,677	\$ 193,042,936	\$ 591,091,789
LIABILITIES, DEFERRED INFLOWS OF RESOURCES & FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 96,192	\$ 17,415,270	\$ 17,728,058	\$ 49,286,892
Due to Other Governments	-	-	184,878	214,378
Due to Other Funds	-	11,490,056	6,442,669	17,932,725
Unearned Revenue	-	-	1,000,000	1,000,000
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	33,949,213	3,932,284	39,090,144
Total Liabilities & Deferred Inflows of Resources	96,192	62,854,539	29,287,889	107,524,139
FUND BALANCES				
Nonspendable	-	-	15,943,620	20,449,865
Restricted	90,963,805	-	125,113,315	404,492,432
Committed	-	-	-	7,703,792
Assigned	-	-	26,496,490	73,149,224
Unassigned	-	(27,716,862)	(3,798,378)	(22,227,663)
Total Fund Balances (Deficits)	90,963,805	(27,716,862)	163,755,047	483,567,650
Total Liabilities, Deferred Inflows of Resources & Fund Balances	\$ 91,059,997	\$ 35,137,677	\$ 193,042,936	\$ 591,091,789

See Accompanying Notes to the Financial Statements

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
September 30, 2015

Fund balances - total governmental funds		\$ 483,567,650
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
<p>Capital assets used in government activities are not financial resources and therefore are not reported in the governmental funds.</p>		
Governmental capital assets	5,254,734,652	
Less accumulated depreciation	<u>(\$401,061,559)</u>	4,853,673,093
<p>Long term liabilities not due and payable with current available resources are not reported in the governmental funds.</p>		
Bonds payable	(6,705,000)	
Certificates of participation	(466,940,000)	
Certificates of participation premium	(11,886,841)	
Compensated absences	(13,740,300)	
Other post employment benefits (OPEB)	(29,074,409)	
Net pension liability	<u>(65,719,485)</u>	(594,066,035)
<p>Bond and certificates of participation interest due October 1, 2015 are not reported as a liability of the governmental funds.</p>		
Accrued interest payable - bonds	(160,538)	
Accrued interest payable - certificates of participation	<u>(11,646,272)</u>	(11,806,810)
<p>Assets not available to provide current resources are offset with deferred inflows of resources in the fund statements. The reduction of the liability and recognition of revenue increases net assets in the Statement of Net Position.</p>		
		39,090,144
<p>Internal Service Funds are used by management to charge the costs of certain activities, such as worker's compensation, general and automobile liability, and health benefits to individual funds. The assets and liabilities of the Internal Service Funds are included in governmental activities in the statement of net position.</p>		
		13,061,113
<p>Deferred outflows (inflows) of resources are not reported in the governmental funds.</p>		
Net deferred inflows - pensions		<u>(2,956,691)</u>
Net position of governmental activities		<u>\$ 4,780,562,464</u>

See Accompanying Notes to the Financial Statements

South Florida Water Management District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2015

	General	Okeechobee Basin Special Revenue	Everglades Restoration Trust Special Revenue	Lake Belt Mitigation Special Revenue
REVENUES				
Ad Valorem Property Taxes	\$ 112,412,773	\$ 111,564,055	\$ 35,619,789	\$ -
Agricultural Privilege Taxes	-	-	11,080,857	-
Intergovernmental	317,484	6,905,056	1,028,965	-
Investment Earnings	1,813,712	1,973,240	440,208	682,154
Licenses, Permits and Fees	3,647,455	122,715	-	17,443,476
Sale of District Property	27,761	201,751	9,441	-
Leases	89,462	1,246,431	-	-
Other	740,710	3,557,901	77,174	-
Total Revenues	<u>119,049,357</u>	<u>125,571,149</u>	<u>48,256,434</u>	<u>18,125,630</u>
EXPENDITURES				
Current Operating				
Land Stewardship	484,490	5,313,165	-	1,092,884
Mission Support	27,505,786	2,773,040	-	-
Modeling and Scientific Support	11,595,911	168,897	-	-
Operations and Maintenance	17,578,040	69,696,038	13,738	-
Regulation	17,460,327	13,923	-	-
Restoration	18,088,686	9,570,013	28,210,272	-
Water Supply	6,295,956	180,189	-	-
Capital Outlay	-	-	-	-
Debt Service				
Bond Principal Retirement	-	-	-	-
Bond Interest	-	-	-	-
COPS Bond Principal Retirement	-	-	-	-
COPS Bond Interest	-	-	-	-
Total Expenditures	<u>99,009,196</u>	<u>87,715,265</u>	<u>28,224,010</u>	<u>1,092,884</u>
Revenues in Excess of (Less than) Expenditures	<u>20,040,161</u>	<u>37,855,884</u>	<u>20,032,424</u>	<u>17,032,746</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,738,456	3,137,898	6,276,576	-
Transfers Out	(22,554,212)	(32,674,195)	(20,173,238)	(108,777)
Total Other Financing Sources (Uses)	<u>(19,815,756)</u>	<u>(29,536,297)</u>	<u>(13,896,662)</u>	<u>(108,777)</u>
Net Change in Fund Balances	224,405	8,319,587	6,135,762	16,923,969
Fund Balances at Beginning of Year	63,419,698	107,856,922	9,883,142	43,802,175
Fund Balances at End of Year	<u>\$ 63,644,103</u>	<u>\$ 116,176,509</u>	<u>\$ 16,018,904</u>	<u>\$ 60,726,144</u>

South Florida Water Management District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2015

	Everglades Trust Capital Projects	Save Our Everglades Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES				
Ad Valorem Property Taxes	\$ -	\$ -	\$ 9,460,261	\$ 269,056,878
Agricultural Privilege Taxes	-	-	-	11,080,857
Intergovernmental	328,261	41,576,195	53,204,391	103,360,352
Investment Earnings	1,249,095	-	1,694,138	7,852,547
Licenses, Permits and Fees	-	-	3,331,174	24,544,820
Sale of District Property	97	808,490	3,394,544	4,442,084
Leases	-	-	3,036,168	4,372,061
Other	-	230,301	507,028	5,113,114
Total Revenues	1,577,453	42,614,986	74,627,704	429,822,713
EXPENDITURES				
Current Operating				
Land Stewardship	-	-	7,065,990	13,956,529
Mission Support	-	-	234,708	30,513,534
Modeling and Scientific Support	-	-	85,000	11,849,808
Operations and Maintenance	-	-	8,151,719	95,439,535
Regulation	-	-	36,409	17,510,659
Restoration	-	-	16,094,666	71,963,637
Water Supply	-	-	1,319,528	7,795,673
Capital Outlay	1,816,957	67,967,934	81,146,419	150,931,310
Debt Service				
Bond Principal Retirement	-	-	6,400,000	6,400,000
Bond Interest	-	-	474,200	474,200
COPS Bond Principal Retirement	6,420,678	-	5,189,322	11,610,000
COPS Bond Interest	13,036,160	-	10,536,087	23,572,247
Total Expenditures	21,273,795	67,967,934	136,734,048	442,017,132
Revenues in Excess of (Less than) Expenditures	(19,696,342)	(25,352,948)	(62,106,344)	(12,194,419)
OTHER FINANCING SOURCES (USES)				
Transfers In	20,173,238	-	73,722,344	106,048,512
Transfers Out	(6,276,576)	-	(24,261,514)	(106,048,512)
Total Other Financing Sources (Uses)	13,896,662	-	49,460,830	-
Net Change in Fund Balances	(5,799,680)	(25,352,948)	(12,645,514)	(12,194,419)
Fund Balances at Beginning of Year	96,763,485	(2,363,914)	176,400,561	495,762,069
Fund Balances (Deficit) End of Year	\$ 90,963,805	(\$ 27,716,862)	\$ 163,755,047	\$ 483,567,650

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds

to the Statement of Activities

For the Year Ended September 30, 2015

Net change in fund balances - total governmental funds		(\$12,194,419)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets are depreciated over their estimated useful lives.		
Capital outlay	150,931,310	
Current year depreciation expense	<u>(37,157,613)</u>	113,773,697
The net effect of various transactions involving capital assets (i.e. adjustments, disposals, transfers, donations) is a decrease to net position		
		(7,161,932)
Repayment of borrowed principal from bonds, bank loans, and capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Bonds principal payment	6,400,000	
COPs loan principal payment	<u>11,610,000</u>	18,010,000
Some expenses reported in the statement of activities do not require current financial resources and therefore are not reported as expenditures in the governmental funds.		
Change in long term compensated absences	648,300	
Change in OPEB payable	(2,751,449)	
Change in bond interest payable	153,125	
Change in COPs interest payable	279,703	
Amortization of deferred interest on bonds	(280,765)	
Amortization of discount on debt - bonds	(3,237)	
Amortization of discount on debt - certificates	(1,620)	
Amortization of premium on debt - bonds	37,076	
Amortization of premium on debt - certificates	1,325,206	
Change in pension liability and related deferred balances	3,274,237	2,680,576
Revenues that are earned but not received within the District's availability period are recognized in the Statement of Activities when earned and subsequently in the governmental funds when they become available. The net difference is recorded as a reconciling item.		
		29,008,836
Internal service funds are used by management to charge the costs of certain activities to the individual funds. The change in net assets of the internal service funds is reported with governmental activities.		
		<u>(1,135,768)</u>
Change in net position of governmental activities		<u>\$ 142,980,990</u>

See Accompanying Notes to the Financial Statements

**South Florida Water Management District
Statement of Net Position
Proprietary Funds
September 30, 2015**

	Governmental Activities
	Internal Service Funds
ASSETS	
Current Assets	
Cash and Investments	\$ 17,633,977
Accounts Receivable	41,666
Other Assets	915,000
Total Current Assets	18,590,643
Noncurrent Assets	
Furniture, Fixtures and Equipment	27,459
Computer Hardware	3,030
Vehicles	36,224
Accumulated Depreciation	(39,698)
Total Noncurrent Assets	27,015
Total Assets	18,617,658
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 473,326
Claims Payable	2,385,404
Total Current Liabilities	2,858,730
Noncurrent Liabilities	
Claims Payable	2,697,815
Total Noncurrent Liabilities	2,697,815
Total Liabilities	5,556,545
NET POSITION	
Net Investment in Capital Assets	27,015
Unrestricted	13,034,098
Total Net Position	\$ 13,061,113

See Accompanying Notes to the Financial Statements

**South Florida Water Management District
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended September 30, 2015**

	Governmental Activities
	Internal Service Funds
OPERATING REVENUES	
Charges for Services	\$ 28,958,392
Other Operating Revenue	181,673
Total Operating Revenues	29,140,065
OPERATING EXPENSES	
Salaries	388,530
Benefits	126,882
Claims	24,962,644
Purchased Services	180,810
Administrative Fees	2,171,543
Premiums and Other	2,667,522
Depreciation	5,111
Total Operating Expenses	30,503,042
OPERATING LOSS	(1,362,977)
NONOPERATING REVENUES	
Investment Earnings	227,209
Total Nonoperating Revenues	227,209
Change in Net Position	(1,135,768)
Net Position at Beginning of Year	14,196,881
Net Position at End of Year	\$ 13,061,113

See Accompanying Notes to the Financial Statements

**South Florida Water Management District
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2015**

	Governmental Activities
	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Receipts from Participants and Other Funds	\$ 28,957,670
Cash Payments to Suppliers	(4,742,856)
Cash Payments for Salaries, Benefits	(515,412)
Claims Paid	(25,397,343)
Other Receipts	964,395
Net Cash Used in Operating Activities	(733,546)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Investment Earnings	227,209
Net Cash Provided by Investing Activities	227,209
Net Increase (Decrease) in Cash and Cash Equivalents	(506,337)
Cash and Cash Equivalents, Beginning of Year	18,140,314
Cash and Cash Equivalents, End of Year	17,633,977
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:	
Operating Loss	(1,362,977)
Adjustments to Reconcile Operating Loss to Net Cash Used In Operating Activities	
Depreciation	5,111
CHANGES IN ASSETS AND LIABILITIES:	
Decrease (Increase) in Accounts Receivable	10,221
Decrease (Increase) in Due from Other Funds	782,722
Decrease (Increase) in Prepaids	538,249
Increase (Decrease) in Accounts Payable	(269,834)
Increase (Decrease) in Due to Other Funds	(2,339)
Increase (Decrease) in Estimated Unpaid Claims	(434,699)
Net Cash Used in Operating Activities	\$ (733,546)

See Accompanying Notes to the Financial Statements



This Page has been Intentionally Left Blank

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(1) DESCRIPTION OF THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT	III-14
(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.....	III-14
(a) Reporting Entity	III-14
(b) Government-wide and Fund Financial Statements.....	III-15
(c) Measurement Focus and Basis of Accounting	III-15
(d) Major Governmental Funds and Other Fund Types	III-16
(e) Budgetary Information	III-17
(f) Cash and Investments	III-17
(g) Prepaid Items	III-18
(h) Inventory.....	III-18
(i) Capital Assets.....	III-18
(j) Long Term Obligations	III-19
(k) Compensated Absences.....	III-19
(l) Deferred Inflows/Outflows of Resources	III-20
(m) Wetland Mitigation	III-21
(n) Fund Balances / Net Position	III-21
(o) Use of Estimates	III-22
(p) Impact of Recently Issued Accounting Pronouncements	III-23
(q) Retirement Plans	III-26
(3) CASH AND INVESTMENTS.....	III-26
(4) ACCOUNTS RECEIVABLE	III-30
(5) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS.....	III-31
(6) OPERATING LEASE RENTAL REVENUES.....	III-32
(7) PROPERTY TAXES	III-32
(8) INTERGOVERNMENTAL TRANSACTIONS	III-33
(9) CAPITAL ASSETS ACTIVITY	III-34
(10) LONG-TERM LIABILITIES	III-35
(11) FUND BALANCE REPORTING.....	III-37
(12) DEFICIT FUND BALANCES.....	III-39
(13) OPERATING LEASES	III-39
(14) RETIREMENT PLANS	III-39
(15) OTHER POST-EMPLOYMENT BENEFITS (OPEB).....	III-48
(16) INSURANCE ACTIVITIES	III-50
(17) CONDEMNATION PROCEEDINGS.....	III-52
(18) MAJOR CONSTRUCTION COMMITMENTS.....	III-52
(19) OTHER COMMITMENTS AND CONTINGENCIES	III-54
(20) SUBSEQUENT EVENTS.....	III-54

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(1) DESCRIPTION OF THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT

The South Florida Water Management District (the "District") is a public corporation organized under Florida Statutes, Chapter 373, and is controlled by a Governing Board consisting of nine (9) members appointed by the Governor to staggered four-year terms.

The District covers all or parts of sixteen counties in Central and Southern Florida. The primary objectives of the District are to promote the protection and restoration of natural systems, facilitate the development and proper utilization of surface and ground water within District boundaries, and prevent damage from floods, soil erosion and excessive drainage. To accomplish these objectives, the District is empowered to manage and regulate the usage and storage of water within District boundaries and to acquire properties and construct facilities as necessary. The District works in concert with the State of Florida (the "State") and agencies of the federal government to accomplish the previously described water management objectives.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements conform to accounting principles generally accepted in the United States of America (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and other recognized authoritative sources. The more significant accounting policies are summarized in the following paragraphs.

(a) Reporting Entity

The District follows the standards promulgated by GASB Codification No. 2100, "Defining the Financial Reporting Entity" to determine the inclusion of an organization as part of its reporting entity. The Statement defines the criteria for inclusion as 1) the economic resources received or held by the separate organization are primarily for the direct benefit of the primary government, 2) the primary government is entitled to, or has the ability to access a majority of the economic resources received or held by the separate organization and 3) the economic resources received or held by the separate organization on behalf of the specific primary government are significant to that primary government. Based on these criteria, the District has determined that the South Florida Water Management District Leasing Corporation (the "Corporation") is a blended component unit. The Corporation is legally separate from the District, its sole purpose is to provide financing for certain District projects, the Board of the Corporation consists of the nine Board members of the District and there is a financial benefit or burden relationship between the District and the Corporation. In addition, the Corporations outstanding debt is expected to be repaid by the District. Therefore, the financial activities of the Corporation have been blended (reported as if it were part of the District) with the activities of the District. The Corporation does not publish individual component unit financial statements. The District is not a participant in any joint venture.

The District is a component unit of the State of Florida since the Governor appoints the nine member Governing Board and the District has a financial benefit/burden relationship with the State. The State provides funding for District programs through the sale of State debt, the sharing of documentary stamp revenues, and the approval of various annual grants and entitlements. The government-wide financial statements, i.e., the statement of net position and the statement of activities, report information on all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Government-wide and Fund Financial Statements

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

(c) Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements 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. The District considers revenues from property taxes, intergovernmental sources and interest to be available if they are collected within sixty (60) days of the end of the current fiscal period.

Revenues susceptible to accrual are property taxes, interest on investments, intergovernmental revenues, and leases. Property taxes are recorded as revenues in the fiscal year in which they are levied for, provided they are collected in the current period or within sixty (60) days thereafter. Interest on invested funds is recognized when earned and available. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized when all eligibility requirements are met and it is available. All other revenues are recognized when cash is received.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenses related to compensated absences, claims and judgments, pension obligations, and other post-employment benefits (OPEB) are recorded only when payment is due.

The District often acquires land for environmental restoration and related purposes sometimes involving condemnation action in a court of law. Upon action of the Court's Stipulated Order of Taking, the District recognizes an expenditure for the amount deposited with the Court.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Measurement Focus and Basis of Accounting (continued)

The following are definitions of the governmental fund types, excluding the general fund:

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The restricted or committed proceeds are expected to comprise a substantial portion of the inflows reported in the fund.

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities, land, infrastructure, and other capital assets.

In addition to governmental funds, the District uses a proprietary fund type to report its internal service fund activity. Proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. With the accrual method of accounting, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating expenses include salaries, benefits, claims payments, purchased services and depreciation. All items not meeting this definition are reported as nonoperating revenues and expenses.

(d) Major Governmental Funds and Other Fund Types

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund, and accounts for all financial resources of the District, except those accounted for in another fund.

The Okeechobee Basin Special Revenue Fund is used to record revenues from within all or part of a 15-county area designated as the Okeechobee Basin. Funding is provided by a .1717 mill property tax levy, intergovernmental revenues and permitting fees, which must be used for expenditures within the Okeechobee Basin.

The Everglades Restoration Trust Special Revenue Fund is used to account for expenditures related to the operations and maintenance of the Stormwater Treatment Areas (STAs) as required by the Everglades Forever Act. Funding is provided through a .0548 mill tax levy, non-ad valorem assessments to property owners in the Everglades Agricultural Area (EAA), State and Federal contributions, and interest earnings.

The Lake Belt Mitigation Special Revenue Fund accounts for revenues received pursuant to Chapter 373.41492, Florida Statutes, which requires mitigation from impacts resulting from rock mining in the Lake Belt area of Miami-Dade County, and related expenditures incurred towards the restoration and management of environmentally sensitive lands.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Major Governmental Funds and Other Fund Types (continued)

The Everglades Trust Capital Projects Fund is used to record capital expenditures to construct stormwater treatment areas to cleanse stormwater runoff from the EAA through naturally occurring biological and physical processes. Additional objectives include hydroperiod restoration and water supply. Funding is provided from operating transfers from the Everglades Restoration Trust Special Revenue Fund, and interest earnings.

The Save Our Everglades Capital Projects Fund accounts for revenues and capital expenditures for the Comprehensive Everglades Restoration Plan (CERP) and the Northern Everglades Estuary Protection Program (NEEPP) which are funded from the State's Save Our Everglades Trust Fund.

The District reports the following type of proprietary funds:

Internal service funds are used to account for the financing of goods and services provided by one department to another on a cost reimbursement basis. The District reports two internal service funds, one used to account for workers' compensation, general liability, automobile, and other insurance activities and one to account for self-funded health and medical benefits provided to the employees of the District and retirees who choose to remain within the plan.

(e) Budgetary Information

The District has elected to report budgetary comparisons as required supplementary information (RSI). Please refer to the accompanying notes to the RSI for the District's budgetary information on page IV-12.

(f) Cash and Investments

Cash includes currency on hand and demand deposits. Cash equivalents for purposes of the statement of cash flows consist of pooled cash and short-term investments with original maturities of three months or less from the date of acquisition. The District utilizes pooled cash accounting whereby excess monies are aggregated for investment purposes. Earnings from such investments are allocated to the respective funds based on applicable cash participation by each fund. Negative cash balances in individual funds are reported as interfund payables with offsetting receivables recorded in loaning fund(s). In accordance with GASB Statement No. 31, the District reports investments at their fair market value, with unrealized gains and losses credited to or charged against investment earnings.

The District's investment portfolio is valued based on a blend of third-party market pricing services such as BONDEDGE, FISERV, YIELDBOOK and BLOOMBERG.

Non-participating investments, such as non-negotiable certificates of deposit with redemption values that do not consider market rates, are reported at amortized costs. The District has investments in two investment pools, Florida Prime (previously known as the Local Government

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Cash and Investments (continued)

Surplus Funds Trust Fund - Pool A), and the Florida Local Government Investment Trust (Trust Fund). Florida Prime is managed by the State Board of Administration. The Florida Local Government Investment Trust is a member-owned, member-governed investment fund. Under the guidelines of GASB Statement No. 31, Florida Prime is a "2a-7 like" pool. Accordingly, investments in Florida Prime are reported at amortized cost. The Trust Fund is accounted for as net asset value (NAV) pools. As such, its investments have been valued based on their respective fair value factor as of the financial statement date.

During the year, the District did not directly invest any resources in derivatives. Investments made through State-administered trust funds may include derivatives. These investments are made on a pooled basis and the individual risk to the District is unknown.

(g) Prepaid Items

Prepaid items consist of certain costs which have been paid prior to the end of the fiscal year, but represent items which are applicable to future accounting periods. These amounts do not constitute available spendable resources even though they are a component of current assets. The cost is recorded as an expenditure at the time individual items are consumed.

(h) Inventory

Inventory is stated at moving average cost and consists of fuel, chemicals and supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed.

(i) Capital Assets

Capital assets, which include land, canals and levees, buildings, equipment, vehicles, infrastructure assets (bridges, water control structures) and intangible assets are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of \$1,000 or more and an estimated useful life of one year or more. Intangible assets are defined as assets that lack physical substance, are nonfinancial in nature, and have initial useful lives which extend beyond a single reporting period. The District reports two main types of intangible assets, easements, which are considered non-depreciable and internally generated software, which is depreciated over its estimated useful life. Items purchased or acquired are reported at historical cost or estimated historical cost. Donated assets are recorded at their estimated fair value on the date donated. Maintenance, repairs and minor renovations are not capitalized.

Expenditures that materially increase values, change capacities or extend useful lives of assets are capitalized. Upon sale or retirement, the costs and their related accumulated depreciation are eliminated from the respective accounts.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Capital Assets (continued)

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

<u>Asset</u>	<u>Years</u>
Intangibles	5-10
Vehicles and Equipment	5-25
Buildings	10-40
Improvements Other Than Buildings	12-25
Water Control Structures	25-50

Land, easements (intangibles), canals and levees have indefinite useful lives and as such are not considered to be depreciable capital assets.

(j) Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the government-wide Statement of Net Position. Bonds payable are reported net of the applicable bond premium or discounts. Bond premiums and discounts are amortized over the life of the bonds using the straight line method, which does not result in a material difference from the effective interest method. Deferred amounts (the difference between the reacquisition price and the net carrying amount) on refunding are amortized over the shorter of the remaining life of the old debt or the life of the new debt using the straight line method, which does not result in a material difference from the effective interest method. Debt issuance costs, except for the portion which relates to prepaid insurance costs, are recognized as an expense in the period incurred. Prepaid insurance costs are reported as an asset and are recognized as expense on a straight line basis over the duration of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Debt principal payments and issuance costs, whether or not withheld from actual debt proceeds, are reported as debt service expenditures.

(k) Compensated Absences

District employees are granted a specific number of vacation and sick leave hours with pay. Non-management employees are permitted to accrue a maximum of 240 hours of vacation as of the end of the payroll calendar year. Managers are permitted to accrue a maximum of 480 hours of vacation as of the end of the payroll calendar year. Annual leave in excess of maximum carryover amounts at the end of the payroll calendar year will be converted to sick leave. Upon termination of employment, employees hired prior to July 1, 2012 are paid for 25 percent of unused sick leave after vesting with at least six years of service. Employees hired after July 1, 2012 must have eight or more consecutive years of District service to receive the 25 percent payout. The maximum payout for accrued but unused sick leave is 480 hours.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Compensated Absences (continued)

The costs of vacation and sick leave benefits (compensated absences) are budgeted and expended in the respective operating funds. In the governmental funds, the cost of vacation and sick pay benefits is recognized when payments are made to employees or when the related liability matures. The government-wide statements and proprietary funds recognize a liability and expense in the period the vacation and sick pay benefits are earned. However, the liability for all accrued and vested vacation and sick leave benefits is recorded in the government-wide financial statements. The District normally liquidates its liability for compensated absences resulting from payouts of vested accrued leave upon termination, separation, retirement, etc. from the General Fund and the Okeechobee Basin Special Revenue Fund.

(l) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement section represents a consumption of net resources applicable to future periods and will not be recognized as an outflow of resources (expenses/expenditures) until the future period to which it applies. Currently, the District reports deferred outflows related to pensions in this section.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate financial statement section represents the acquisitions of net resources applicable to future periods and will not be recognized as an inflow of resources (revenue) until the future period to which it applies. Currently, the District reports deferred inflows related to pensions in the government-wide statements. The District also reports deferred inflows related to unavailable revenue in the governmental fund statements. The unavailable revenue will be recognized as inflows of resources in the period that the amounts become available.

The sources of unavailable revenue are:

<u>Description</u>	<u>Governmental Balances</u>
Intergovernmental Sources:	
Reimbursement	38,640,144
Other Sources:	
Pollution Remediation	<u>450,000</u>
Total Unavailable Revenue	<u>\$ 39,090,144</u>

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Wetland Mitigation

The District manages a program for mitigating the impact of wetland destruction through a specialized regulatory permitting process. Permit applicants are required to remit a specified cash payment to the District as part of the permit conditions. The permit restricts the use of the funds received by the District to land acquisition, land restoration and long-term management of the lands in areas managed by the District that are near the lands being developed by permittees. The District accounts for the money received to assure it is used only for the approved purpose in the assigned area. Funds received for land acquisition and restoration (expendable) are placed in the Wetland Mitigation Special Revenue and Capital Projects Funds. Funds received for long-term management (nonexpendable) are placed in the Wetland Mitigation Permanent Fund.

(n) Fund Balances / Net Position

In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balance is reported in five components: nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – Represents amounts which are (a) not in spendable form or (b) legally or contractually required to be maintained intact. “Not in spendable form” includes items that are not expected to be converted to cash, such as inventories and prepaid amounts, and items such as long-term amount of loans and notes receivable. The corpus, or principal of a permanent fund is an example of an amount that is legally or contractually required to be maintained intact.

Restricted – Represents amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – Represents amounts that can be used only for the specific purposes determined by a formal action (resolution) of the District’s Governing Board, the District’s highest level of decision making authority. Commitments may be changed or lifted only by the Board taking the same formal action (resolution) that imposed the constraint originally.

Assigned – Represents amounts that are constrained by the District’s intent to be used for specific purposes, but are neither restricted nor committed. Assignments are made by the District’s Executive Director or his or her designee based on Board direction as delegated in Chapter 101 of the District’s policies and procedures.

Unassigned - Represents the residual classification for the general fund. This classification represents spendable fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. Unassigned fund balance may also include residual deficit equity balances of other governmental funds, after allocating amounts to nonspendable, restricted, and committed categories.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Fund Balances / Net Position (continued)

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the District's policy to use restricted amounts first and then unrestricted amounts as they are needed. Additionally, the District would first use committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net position represents the difference between assets & deferred outflows of resources and liabilities & deferred inflows of resources, and is reported in the three components of net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets component of net position consists of capital assets (net of accumulated depreciation) and deferred outflow of resources for losses on refunding transactions; reduced by the outstanding balance of debt related to the acquisition or construction of those assets and deferred inflow of resources for gains on refunding transactions.

Net position is restricted when there are limitations imposed on use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The types of restrictions the District has on its net position are:

Restricted for Debt Service - Represents the portion of net position which is restricted for debt service payments or long-term borrowings.

Restricted for Wetlands Mitigation - Represents the expendable and nonexpendable portions of net position which are restricted for land acquisition, land restoration and long-term management of the wetlands.

Restricted for Environmental Programs - Represents the portion of net position which is restricted for specific environmental programs through legally enforceable requirements stipulated in legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. As of September 30, 2015, the District has approximately \$318.0 million in restricted net position through enabling legislation.

Restricted for Capital Construction – Represents the portion of net position restricted for construction of capital facilities through legally enforceable legislative requirements.

Net position unrestricted represents amounts not included in other categories, which is generally available for use.

(o) Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred items, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenue and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Impact of Recently Issued Accounting Pronouncements

Recently Issued and Implemented Accounting Pronouncements

The District implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27" and GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment of GASB Statement No. 68", effective for fiscal year 2015. The District participates in the Florida Retirement System (FRS) defined benefit pension plan and the Health Insurance Subsidy (HIS) defined benefit plan administered by the Florida Division of Retirement. As a participating employer, GASB 68 requires employers participating in cost-sharing multiple-employer defined benefit pension plans to report the employer's proportionate share of the net pension liabilities and related pension amounts of the defined benefit pension plans.

Restatement

This implementation of GASB Statement Nos. 68 and 71 described above, required the District to restate Net Position in the government-wide statements to report the District's net pension liability, deferred inflows/outflows and related pension amounts for the defined benefit plans. Accordingly, Beginning Net Position has been restated as follows:

	Governmental Activities
Beginning net position per CAFR	4,709,531,889
Adjustment to Beginning Net position 10/1/14- FRS	(39,659,569)
Adjustment to Beginning Net position 10/1/14 - HIS	(32,290,846)
Total Adjustment to Beginning Net Position FY15	(71,950,415)
Restated Net Position Beginning FY15	4,637,581,474

The implementation of GASB Statements Nos. 68 and 71 resulted in the District recording deferred outflows of \$29,134,366 deferred inflows of \$32,091,057, and a net pension liability of \$65,719,485 as of September 30, 2015, related to their pension plans.

In June 2015, GASB issued Statement No. 76 "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments". The objective of this Statement is to identify, in the context of the current governmental financial reporting environment, the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The District implemented this Statement during the fiscal year ended September 30, 2015. The implementation had no effect on the District financial statements.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Impact of Recently Issued Accounting Pronouncements (continued)

The District has not yet determined the impact of the following GASB pronouncements which have been issued but are not yet effective and have not been implemented.

In February 2015, GASB issued Statement No. 72 "Fair Value Measurement and Application". This Statement provides guidance for determining a fair value measurement for financial reporting purposes and also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2015. The District is required to implement this Statement in its fiscal year beginning October 1, 2015.

In June 2015, GASB issued Statement No. 73 "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68". This Statement establishes requirements for pensions and pension plans that are not administered through a trust meeting certain criteria. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2015, except for those provisions that address employers and governmental non-employer contributing entities for pensions that are not within the scope of GASB Statement No. 68, which are effective for fiscal years beginning after June 15, 2016. The District is required to implement certain provisions of this this Statement in its fiscal year beginning October 1, 2015 and the remainder in its fiscal year beginning October 1, 2016.

In June 2015, GASB issued Statement No. 74 "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans". This Statement establishes rules on reporting by OPEB plans that administer benefits on behalf of governments. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2016. The District is required to implement this Statement in its fiscal year beginning October 1, 2016.

In June 2015, GASB issued Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to accounting and financial reporting for OPEB. The implementation of this statement will result in the recognition of a significant liability that is not yet measurable. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2017. The District is required to implement this Statement in its fiscal year beginning October 1, 2017.

In August 2015, GASB issued Statement No. 77 "Tax Abatement Disclosures". This Statement requires state and local governments to disclose information about tax abatement agreements. It requires governments to disclose information about their own tax abatements separately from information about tax abatements that are entered into by other governments and reduce the reporting government's tax revenues. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2015. The District is required to implement this Statement in its fiscal year beginning October 1, 2016.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Impact of Recently Issued Accounting Pronouncements (continued)

In December 2015, GASB issued Statement No. 78 “Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans”. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, Accounting and Financial Reporting for Pensions. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2015. The District is required to implement this Statement in its fiscal year beginning October 1, 2016.

In December 2015, GASB issued Statement No. 79 “Certain External Investment Pools and Pool Participants”. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2015, except for certain provisions which are in effect for reporting periods beginning after December 15, 2015. The District is required to implement certain provisions of this Statement in its fiscal year beginning October 1, 2015 and other provision in its fiscal year beginning October 1, 2016.

In January 2016, GASB issued Statement No. 80 “Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14”. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in Statement No. 14, “The Financial Reporting Entity”, as amended. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2016. The District is required to implement this Statement in its fiscal year beginning October 1, 2016.

In March 2016, GASB issued Statement No. 81 “Irrevocable Split-Interest Agreements”. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2016. The District is required to implement this Statement in its fiscal year beginning October 1, 2017.

In March 2016, GASB issued Statement No. 82 “Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73”. This Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The provisions of this Statement are effective for financial statements in which the measurement date of the pension liability is on or after June 15, 2017. The District is required to implement this Statement in its fiscal year beginning October 1, 2017.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Retirement Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) and Health Insurance Subsidy (HIS) deferred benefit plans additions to/deductions from both Plans fiduciary net position have been determined on the same basis as they are reported by the Plans and are recorded in the government-wide financial statements. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(3) CASH AND INVESTMENTS

Statement of Policy

The purpose of the District's investment policy is to set forth the investment objectives and parameters for the management of public funds of the District. The policy is designed to ensure the prudent management of public funds, the availability of operating and capital funds when needed and investment returns competitive with comparable funds and financial market indices.

The District's policy is written in accordance with Section 218.415, Florida Statutes, which applies to funds under the control of local governments and special districts. The policy and any subsequent revisions are adopted by the District's Governing Board and apply to funds in excess of those required to meet current expenditures. In March 2012 the Governing Board approved changes to a majority of District policies to update references to positions and departments to ensure they were aligned with the District's new organization structure. No substantive changes were made to the policies during that effort. The most recent substantive revisions to the investment policy were approved by the Governing Board in June 2008.

The District's investment policy authorizes investments in: 1) the Florida Local Government Surplus Funds Trust Fund (which includes Florida Prime, Pool B and the Florida Local Government Investment Trust), 2) United States government securities unconditionally guaranteed by the full faith and credit of the United States government, 3) United States government agencies backed by the full faith and credit of the United States government, 4) United States government-sponsored agencies, 5) interest bearing time deposit or savings accounts of Florida Banks and Savings and Loan Associations approved under Chapter 280, Florida Statutes, 6) commercial paper rated Prime 1 by Moody's, A1 by Standard and Poor's or F-1 by Fitch, 7) corporate notes rated at a minimum Aa by Moody's, AA by Standard and Poor's or AA by Fitch, 8) Bankers Acceptances rated at a minimum P-1 by Moody's and A-1 by Standard and Poor's, 9) state and/or local government taxable and/or tax exempt debt, general obligation and/or revenue bonds, rated at least Aa by Moody's and AA by Standard and Poor's or AA by Fitch for long term debt or rated at least MIG-1 by Moody's and SP-1 by Standard and Poor's for short-term debt, 10) money market mutual funds rated AAAM or AAAM-G or better by Standard & Poor's, or the equivalent by another rating agency, 11) master repurchase agreements collateralized by United States government, government agencies and federal instrumentalities, 12) hedging instruments, 13) reverse repurchase agreements and 14) agency mortgage backed securities or non-agency mortgage backed securities that maintain a AAA rating by a nationally recognized statistical rating agency.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(3) CASH AND INVESTMENTS (continued)

As of September 30, 2015, the District had placed approximately 20% of its investments in U.S. government agencies backed by the full faith and credit of the United States government, 48% in U.S. government-sponsored agencies, 3% in Corporate Bonds, 11% in Florida Prime and the Local Government Investment Pool and 18% in the Florida Local Government Investment Trust.

Florida Prime is an investment pool available for investing temporarily idle cash by Florida governments and is managed by the State Board of Administration (the "SBA"). According to the SBA, Florida Prime meets the criteria to be considered as "2a-7 like", as defined by GASB Statement No. 31. Accordingly, it has been reported at the same value as the pool shares allocated to the District. Florida Prime maintains an AAAM rating by Standard and Poor's Ratings Services.

Florida Prime is governed by the rules of Chapter 19-7 of the Florida Administrative Code. These rules provide guidance and establish the general operating procedures for the administration of the Funds. Additionally, the Office of the Auditor General performs the operational audit of the activities and investments of the SBA.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments are made based upon prevailing market conditions at the time of the transaction. While the overall intent is to hold securities to maturity, the ongoing management of the portfolio allows for actions designed to meet cash needs of the District and attempts to maximize investment yield while minimizing losses. Investments can be sold prior to maturity to improve yield, modify the target duration or improve the overall credit position of the portfolio.

The District uses a duration method to construct a portfolio of bonds to fund its future cash needs. For reporting purposes, it selects the effective duration to disclose the portfolio's exposure to changes in interest rates. Through its investment policy, the District manages its exposure to fair value losses arising from interest rate increases by limiting the effective duration of its investment portfolio, including cash balances, to less than three (3) years.

The District maintains an allocation of its investments in U.S. Agency Obligation securities which are callable by the issuer. These bonds are subject to the risk of being called prior to maturity. The District invests in Mortgage Backed Securities, including Collateralized Mortgage Obligations (CMO's) in part to maximize yield and as a protection against a rise in interest rates.

These securities are based on cash flows from payments on underlying mortgages; therefore, they are sensitive to prepayments by mortgagees, which may result from a decline in interest rates. An increase in interest rates may increase the average maturity of these investments. The District currently limits its exposure to all mortgage investments to 30% of total available funds at the time of purchase.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(3) CASH AND INVESTMENTS (continued)

As of September 30, 2015 the District had the following investments in its pooled portfolio:

Investment Type	Fair Value	Effective Duration (in yrs)
U.S. Agency Obligations	\$ 60,117,000	1.87
Investments in Mortgage Backed Securities	144,903,363	3.93
Corporate Bonds	10,019,000	0.19
Florida Prime	33,968,696	0.11
Florida Local Government Investment Trust	52,931,815	1.43
Total Fair Value	<u>\$ 301,939,874</u>	
Portfolio Effective Duration		2.52

Credit Risk

Credit risk is the risk that an issuer will not fulfill its obligations. For liquidity purposes, the District invests in Florida Prime, which is managed in accordance with State statutes. Florida Prime is rated AAAM by Standard & Poor's, and investment into the fund by local governments is consistent with SEC rule 2a-7.

All of the District's investments in agency securities for fiscal year 2015 were rated AA+ by Standard and Poor's, AAA by Fitch ratings, and Aaa by Moody's Investor Services. In addition, all of the District's investments in Mortgage Backed Securities were rated AAA by at least two of the three listed rating services. This applies to the direct agency obligations as well as the investment into non-agency mortgages and CMO's.

Credit Quality Distribution for Securities with Credit Exposure

<u>Investment Type</u>	<u>Credit Rating</u>	<u>Fair Value</u>
Certificates (SBA)	Unrated	\$ 8,751,491
Florida Prime	AAAM	33,968,696
Fannie Mae – U.S. Agency Obligations	AAA	39,995,000
Fannie Mae – Mortgage Backed Securities	AAA	68,356,491
Freddie Mac – Mortgage Backed Securities	AAA	46,191,875
Federal Farm Credit Bank – U.S. Agency Obligations	AAA	10,008,000
Federal Home Loan Bank – U.S. Agency Obligations	AAA	10,114,000
Ginnie Mae - Mortgage Backed Securities	AAA	21,603,506
General Electric Capital Corp.	AA+	10,019,000
Florida Local Government Investment Trust	AAAF	52,931,815
		<u>\$ 301,939,874</u>

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(3) CASH AND INVESTMENTS (continued)

Custodial Credit Risk - Deposits

All of the District's cash deposits are held in accounts at depository institutions which are recognized as State of Florida Qualified Public Depositories in accordance with state statutes and the District's investment policy. All bank balances are covered by federal deposit insurance and the bank's participation in the Florida Security for Public Deposits Act. The balance held with these institutions at September 30, 2015 is \$192,568,697.

A significant cash deposit of the District at September 30, 2015 is the balance of proceeds from the issuance of Certificates of Participation (COPS) in fiscal year 2007. The "Cash and Investments Held by Trustee" balance consists of \$8,883,171 in COPS proceeds which are invested in FLGIT and held in trust by a third party financial institution on behalf of the District, and \$23,811,272 representing debt service on the COPS due October 1, 2015.

Custodial Credit Risk – Investments

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

Concentration of Credit Risk

The District's policy authorizes investment allocation limits on security types, issuers, and maturity limitations. However, the Executive Director has the option to modify investment percentages from time-to-time based on market conditions, risk and diversification investment strategies. These actions are delegated to the District Treasurer to implement as needed.

Percentage Allocation by Issuer as of September 30, 2015

<u>Issuer</u>	<u>Percent of Total</u>
SBA	14.62%
Fannie Mae	35.68%
Freddie Mac	15.24%
Federal Farm Credit Bank	3.30%
Federal Home Loan Bank	3.33%
Ginnie Mae	7.11%
General Electric Capital Corp.	3.30%
Florida Local Government Investment Trust	17.42%

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(3) CASH AND INVESTMENTS (continued)

Cash and investments as of September 30, 2015 are comprised of the following:

Cash Deposits:

Money Market Accounts	\$ 40,549,990
Demand Deposit Accounts	152,012,957
Petty Cash	<u>5,750</u>
Total Cash Deposits	<u>192,568,697</u>

Cash and Investments Held by Trustee: 32,694,443

Investments:

U.S. Agency Obligations	60,117,000
Investments in Mortgage Backed Securities	144,903,363
Corporate Bonds	10,019,000
Florida Prime	33,968,696
Florida Local Government Investment Trust	<u>52,931,815</u>
Total Investments	<u>301,939,874</u>
Total Cash and Investments	<u><u>\$ 527,203,014</u></u>

(4) ACCOUNTS RECEIVABLE

Accounts receivable at September 30, 2015 consist of the following:

	General Fund	Okeechobee Basin SR Fund	Everglades Trust SR Fund	Lake Belt Mitigation SR Fund	Everglades Trust CP Fund	Non Major / Internal Service Funds	Total
Leases	\$ 532	\$ 500,925	\$ -	\$ -	\$ -	\$ 237,622	\$ 739,079
Interest	114,686	131,717	30,982	45,017	78,396	121,083	521,881
Other	3,635	2,319	-	-	-	26,619	32,573
	<u>\$ 118,853</u>	<u>\$ 634,961</u>	<u>\$ 30,982</u>	<u>\$ 45,017</u>	<u>\$ 78,396</u>	<u>\$ 385,324</u>	<u>\$ 1,293,533</u>

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(5) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables as of September 30, 2015 are as follows:

	Interfund Receivable	Interfund Payable
Okeechobee Basin Fund	\$ 17,217,647	\$ -
Save Our Everglades CP Fund	-	11,490,056
Other Governmental Funds	715,078	6,442,669
	\$ 17,932,725	\$ 17,932,725

Interfund balances at year end represent temporary loans to cover negative cash balances and amounts due to internal service funds for amounts due at year end.

Interfund transfers during the year are as follows:

		<i>To:</i>					
<i>From:</i>	General Fund	Okeechobee Basin SR Fund	Everglades Trust SR Fund	Everglades Trust CP Fund	Other Governmental Funds		Totals
General Fund	\$ -	\$ -	\$ -	\$ -	\$22,554,212		\$22,554,212
Okee. Basin SR Fund	-	-	-	-	32,674,195		32,674,195
Everglades Trust SR Fund	-	-	-	20,173,238	-		20,173,238
Lake Belt Mitigation SR Fund	-	-	-	-	108,777		108,777
Everglades Trust CP Fund	-	-	6,276,576	-	-		6,276,576
Other Governmental Funds	2,738,456	3,137,898	-	-	18,385,160		24,261,514
	\$ 2,738,456	\$ 3,137,898	\$ 6,276,576	\$ 20,173,238	\$ 73,722,344		\$ 106,048,512

Transfers into the General Fund from the CERP Capital Projects Fund reflect a District decision to phase out the CERP Capital Projects Fund, resulting in the movement of a portion of existing fund balance over to the General Fund for future appropriations. Transfers into the Okeechobee Basin Capital Projects Fund from the Okeechobee Basin Special Revenue Fund reflect funding support related to capital outlay expenditures recorded in that fund. Similarly, transfers into the Everglades Trust Capital Projects Fund from the Everglades Trust Special Revenue Fund reflect support for capital outlay expenditures incurred in the capital fund. Transfers into the COPS Everglades Forever Act CP Fund from the COPS-CERP CP Fund were to fund A1 Flow Equalization Basin (FEB) expenditures accounted for in that fund. The majority of the remaining transfers represent funding for District-wide capital projects and funding between special revenue funds and their related capital projects fund as required.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(6) OPERATING LEASE RENTAL REVENUES

Property on Operating Leases and Property Held for Lease

The District purchases land for environmental restoration projects. Often there are agricultural activities occurring on parts of the land at the time of purchase. If the land is not needed for a project immediately, the District allows these activities to continue as it results in lower land maintenance costs. In addition, rent is charged for the use of the land for farming until such time it is needed for project purposes. The District investment in land on which operating leases exist is \$543.2 million as of September 30, 2015.

Revenues under Operating Leases

The following is a schedule by year of minimum future revenues on noncancelable operating leases, including contingent revenues which may be received under certain leases of land on the basis of use in excess of stipulated minimums. For fiscal year 2015, contingent revenues were \$-0-.

Year Ending September 30:

2016	\$ 3,487,345
2017	3,099,222
2018	2,595,690
2019	1,953,788
2020	1,212,935
2021 - 2025	<u>1,104,219</u>
Total minimum future revenues	<u>\$13,453,199</u>

(7) PROPERTY TAXES

The District is permitted by Florida Statutes to levy taxes up to .800 mills per \$1,000 of assessed valuation. The rate levied for a majority of the District for fiscal year 2015 was .3842 mills. Property taxes are levied each November 1 on the assessed value listed as of the prior January 1 for real and personal property located within the District. The assessed value at January 1, 2014, upon which the fiscal year 2015 levy was based, was approximately \$736.0 billion.

A four percent discount is allowed if the taxes are paid in November, with the discount declining by one percentage point each month thereafter. Taxes become delinquent April 1 of each year. Delinquent property tax certificates are sold to the public beginning June 1, at which time a lien attaches to the property. By fiscal year end, virtually all property taxes are collected either directly or through tax certificate sales. Property tax revenues are recorded by the District based on the amount of receipts reported by the county tax collectors. Property taxes receivable from the county tax collectors at September 30, 2015, is \$2,111,672 and is included in tax revenues.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(8) INTERGOVERNMENTAL TRANSACTIONS

Amounts due from other governments at September 30, 2015 and intergovernmental revenues for 2015 consist of the following:

	Due From Other Governments	Intergovernmental Revenues
U.S. Army Corps of Engineers	\$ 601,677	\$ 1,396,119
U.S. Department of Homeland Security	3,760	-
U.S. Department of the Interior	25,652	25,654
U.S. Department of Agriculture & Consumer Affairs	1,701	240,515
U.S. Fish and Wildlife Service	-	338,486
Federal Emergency Management Agency	376,858	1,841,289
Florida Department of Environmental Protection	38,546,248	84,681,617
Florida Department of Motor Vehicles	-	334,565
Florida Department of Transportation	1,935	8,600,980
Florida Fish and Wildlife Conservation Commission	295,989	5,541,387
Collier County	5,478	
Lee County	-	20,000
Miami Dade County	14,163	14,970
Southwest Florida Water Management District	6,743	158,186
St. Johns River Water Management District	-	166,584
Ad Valorem Taxes	700,002	- *
Property Appraiser/Tax Collector Fee Credits	1,411,670	- *
Total	\$ 41,991,876	\$ 103,360,352

* On the Statement of Revenues, Expenditures and Changes in Fund Balances, Ad Valorem Taxes are reported as Ad Valorem Property Taxes and the Property Appraiser/Tax Collector Fee Credits are netted against the original expenditure in the respective program.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(9) CAPITAL ASSETS ACTIVITY

	Balance at October 1, 2014	Additions	Retirements	Adjustments/ Reclassifications	Balance at September 30, 2015
Capital Assets Not Being Depreciated:					
Land	\$ 2,564,959,930	\$ 23,003,246	\$ (11,247,392)	\$ (1,130,618)	\$ 2,575,585,166
Easements (Intangibles)	70,390,549	1,310,871	-	1,039,856	72,741,276
Construction in Process	447,419,549	120,763,752	(362,675)	(20,814,030)	547,006,596
Canals and Levees	702,110,108	216,686	-	27,616	702,354,410
	<u>3,784,880,136</u>	<u>145,294,555</u>	<u>(11,610,067)</u>	<u>(20,877,176)</u>	<u>3,897,687,448</u>
Capital Assets Being Depreciated:					
Buildings	122,942,724	131,326	(77,462)	3,078,614	126,075,202
Intangibles	41,138,754	2,050,604	-	5,759,862	48,949,220
Equipment	136,503,962	2,208,663	(5,186,391)	1,059,883	134,586,117
Improvements	30,000,784	20,362	-	-	30,021,146
Water Control Structures	1,001,796,504	7,781,036	(3,074,125)	10,978,817	1,017,482,232
	<u>1,332,382,728</u>	<u>12,191,991</u>	<u>(8,337,978)</u>	<u>20,877,176</u>	<u>1,357,113,917</u>
Less Accumulated Depreciation:					
Buildings	(38,439,680)	(3,848,792)	35,067	(76,842)	(42,330,247)
Intangibles	(32,521,414)	(5,787,319)	-	-	(38,308,733)
Equipment	(95,867,894)	(7,094,031)	4,729,778	1,462	(98,230,685)
Improvements	(15,010,096)	(1,211,932)	-	-	(16,222,028)
Water Control Structures	(188,330,326)	(19,220,650)	1,466,032	75,380	(206,009,564)
	<u>(370,169,410)</u>	<u>(37,162,724)</u>	<u>6,230,877</u>	<u>-</u>	<u>(401,101,257)</u>
Capital Assets Being Depreciated, Net					
	<u>962,213,318</u>	<u>(24,970,733)</u>	<u>(2,107,101)</u>	<u>20,877,176</u>	<u>956,012,660</u>
Capital Assets, Net	<u>\$ 4,747,093,454</u>	<u>\$ 120,323,822</u>	<u>\$ (13,717,168)</u>	<u>\$ -</u>	<u>\$ 4,853,700,108</u>

Depreciation expense was charged to the following programs during the fiscal year:

Mission Support	\$ 6,825,097
Operations and Maintenance	25,973,150
Restoration	3,989,545
Water Supply	369,821
	<u>37,157,613</u>
Depreciation of capital assets held in internal service funds are charged to the various programs based on the asset function	5,111
Total Depreciation Expense	<u>\$ 37,162,724</u>

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(10) LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the fiscal year ended September 30, 2015:

	Balance at October 1, 2014	Additions	Retirements And Adjustments	Balance at September 30, 2015	Amounts Due Within One Year
Land Acquisition Bonds	\$ 13,105,000	\$ -	\$ (6,400,000)	\$ 6,705,000	\$ 6,705,000
Bond Premium / Discount	33,839	-	(33,839)	-	-
COPS	478,550,000	-	(11,610,000)	466,940,000	12,165,000
COPS Premium / Discount	13,210,427	-	(1,323,587)	11,886,841	-
Compensated Absences	14,388,600	8,007,000	(8,655,300)	13,740,300	10,686,000
Other Post Emp Benefits	26,322,960	2,751,449	-	29,074,409	-
Pensions	48,502,430	28,975,268	(11,758,213)	65,719,485	-
Self Insurance Claims	5,517,918	24,962,644	(25,397,343)	5,083,219	2,385,404
	<u>\$ 599,631,174</u>	<u>\$ 64,696,361</u>	<u>\$ (65,178,282)</u>	<u>\$ 599,149,254</u>	<u>\$ 31,941,404</u>

Special Obligation Land Acquisition Bonds are issued by the District to provide funds for the acquisition of environmentally sensitive lands. Principal and interest on the Land Acquisition Bonds are secured by a lien on documentary stamp excise taxes collected statewide by the State of Florida and allocated to the State's five water management districts through the Water Management Lands Trust Fund (WMLTF). For the current fiscal year, principal and interest payments and total revenue recognized by the District were \$6,874,200 and \$7,026,075, respectively. The District accounts for related debt service in the Save Our Rivers SR Fund.

Summary of the status of the District's bonded debt as of September 30, 2015 is shown below:

Issue	Original Amount	Fiscal Year Maturity	Interest Rates	Remaining Balance
2002 Refunding	\$ 23,810,000	2015-2016	3.875-4.000%	\$ 2,475,000
2003 Refunding	34,550,000	2015-2016	4.100-5.250%	4,230,000
	<u>\$ 58,360,000</u>			<u>\$ 6,705,000</u>

Fiscal year requirement to amortize bonded debt as of September 30, 2015 is as follows:

	Principal	Interest	Total
2016	\$ 6,705,000	\$ 160,538	\$ 6,865,538
	<u>\$ 6,705,000</u>	<u>\$ 160,538</u>	<u>\$ 6,865,538</u>

An interagency agreement between the District and Florida Department of Environmental Protection (FDEP) requires FDEP to set aside and escrow from the first monies allocable to the District in the WMLTF, sufficient monies for the payment of principal and interest on the land acquisition bonds becoming due in each subsequent year. As of the District's financial statement date, FDEP had reserved an amount of \$6,865,538 for such purpose.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(10) LONG-TERM LIABILITIES (continued)

In fiscal year 2007, the District issued Certificates of Participation (COPS), Series 2006, in order to provide funds for the construction of accelerated projects in furtherance of restoration of the Everglades. COPS are statutorily-authorized tax-exempt certificates evidencing undivided proportionate interests of the owners thereof in basic lease payments to be made by the Governing Board of the District, pursuant to a master lease purchase agreement by and between the District and the South Florida Water Management District Leasing Corporation (the "Corporation"), a not-for-profit entity (see Note (2)(a) on page III-14). The COPS are secured by and payable from the Trust Estate established for the Series 2006 Certificates (the "Trust Estate") pursuant to the Trust Agreement and any amounts payable under the Financial Guaranty Insurance Policy. The Trust Estate consists of all estate, right, title and interest of the Trustee in and to the Basic Lease Payments under the Series 2006 Lease, and all amounts held in the funds and accounts under the Trust Agreement in accordance with the provisions of the Master Lease and the Trust Agreement, including investment earnings thereon, and any and all monies received by the Trustee pursuant to the Series 2006 Lease and the Trust Agreement which are not required to be remitted to the Governing Board or the Corporation pursuant to the Master Lease or the Trust Agreement. Lease payments are funded from ad valorem revenues. Total COPS issued amounted to \$546,120,000, having interest rates ranging from 3.5% to 5.0%. The District accounts for debt service transactions relative to COPS in the Everglades Trust Fund and the Comprehensive Everglades Restoration Plan Fund.

Fiscal year requirements to amortize the COPS as of September 30, 2015 are as follows:

	Principal	Interest	Total
2016	\$ 12,165,000	\$ 23,000,372	\$ 35,165,372
2017	12,750,000	22,392,425	35,142,425
2018	13,385,000	21,742,025	35,127,025
2019	14,055,000	21,056,025	35,111,025
2020	14,755,000	20,335,775	35,090,775
2021-2025	85,535,000	89,641,725	175,176,725
2026-2030	109,110,000	65,466,750	174,576,750
2031-2035	139,250,000	34,568,750	173,818,750
2036-2037	65,935,000	3,336,875	69,271,875
	<u>\$466,940,000</u>	<u>\$301,540,722</u>	<u>\$768,480,722</u>

The liability for compensated absences is generally liquidated by the General Fund and the Okeechobee Basin SR Fund and the liability for other post-employment benefits is generally liquidated from the General Fund.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(11) FUND BALANCE REPORTING

The following is the governmental fund balances in detail as of September 30, 2015 (in thousands):

	General Fund	Okeechobee Basin SR Fund	Everglades Trust SR Fund	Lake Belt Mitigation CP Fund
<i>Nonspendable:</i>				
Inventory	\$ -	\$ 4,506	\$ -	\$ -
Permanent fund principal	-	-	-	-
<i>Restricted for:</i>				
LTP Everglades Source control projects	-	-	85	-
Budget Stabilization	-	11,178	1,611	-
Okeechobee Basin operations	-	100,492	11,353	-
Water protection, ecosystem management, and restoration projects	-	-	-	-
Everglades conservation and natural resource protection	-	-	-	-
Big Cypress Basin operations	-	-	-	-
Debt service	-	-	-	-
Indian River Lagoon tag program	-	-	-	-
Indian River Lagoon/St. Lucie Restoration	-	-	-	-
Everglades restoration	-	-	-	-
Lake Okeechobee restoration	-	-	-	-
Big Cypress Basin capital projects	-	-	-	-
Acquisition, restoration or management of environmentally sensitive lands	-	-	-	43,131
Florida Bay restoration	-	-	-	-
Lake Belt Wetland creation, restoration and management	-	-	-	17,595
Construction and ops. of facilities for Everglades restoration and protection	-	-	-	-
Restoration strategies projects	-	-	2,970	-
Land management activities	-	-	-	-
Aquatic plant control	-	-	-	-
Other capital projects	-	-	-	-
<i>Committed for:</i>				
Budget Stabilization	2,801	-	-	-
Source control projects	225	-	-	-
Land Management/Forest Management	20	-	-	-
Restoration strategies projects	4,658	-	-	-
<i>Assigned to:</i>				
District operations	46,653	-	-	-
Other capital projects	-	-	-	-
Everglades restoration	-	-	-	-
Wetland creation, restoration and management	-	-	-	-
<i>Unassigned:</i>				
	9,288	-	-	-
	<u>\$ 63,644</u>	<u>\$ 116,177</u>	<u>\$ 16,019</u>	<u>\$ 60,726</u>

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(11) FUND BALANCE REPORTING (continued)

	Everglades Trust CP Fund	Save Our Everglades CP Fund	Other Governmental Funds	Total Governmental Funds
<i>Nonspendable:</i>				
Inventory	\$ -	\$ -	\$ 293	\$ 4,800
Permanent fund principal	-	-	15,650	15,650
<i>Restricted for:</i>				
LTP Everglades Source control projects	-	-	-	85
Budget Stabilization	-	-	-	12,789
Okeechobee Basin operations	-	-	-	111,845
Water protection, ecosystem management, and restoration projects	-	-	8,249	8,249
Everglades conservation and natural resource protection	-	-	249	249
Big Cypress Basin operations	-	-	10,149	10,149
Debt service	13,168	-	17,508	30,677
Indian River Lagoon tag program	-	-	7	7
Indian River Lagoon/St. Lucie Restoration	-	-	380	380
Everglades restoration	-	-	923	923
Lake Okeechobee restoration	-	-	2,104	2,104
Big Cypress Basin capital projects	-	-	7,490	7,490
Acquisition, restoration or management of environmentally sensitive l	-	-	12,240	55,372
Florida Bay restoration	-	-	9,087	9,087
Lake Belt Wetland creation, restoration and management	-	-	26,706	44,301
Construction and ops. of facilities for Everglades restoration and prot	-	-	1,255	1,255
Restoration strategies projects	62,358	-	-	65,328
Land management activities	-	-	6,279	6,279
Aquatic plant control	-	-	32	32
Other capital projects	15,438	-	22,453	37,890
<i>Committed for:</i>				
Budget Stabilization	-	-	-	2,801
Source control projects	-	-	-	225
Land Management/Forest Management	-	-	-	20
Restoration strategies projects	-	-	-	4,658
<i>Assigned to:</i>				
District operations	-	-	-	46,653
Other capital projects	-	-	17,961	17,961
Everglades restoration	-	-	4,253	4,253
Wetland creation, restoration and management	-	-	4,283	4,283
<i>Unassigned:</i>				
	-	(27,717)	(3,798)	(22,228)
	<u>\$ 90,964</u>	<u>\$ (27,717)</u>	<u>\$ 163,755</u>	<u>\$ 483,568</u>

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(12) DEFICIT FUND BALANCES

At September 30, 2015, the following fund has a deficit fund balance:

Save Our Everglades Capital Project Fund	\$ 27,716,862
Save Our Rivers Special Revenue Fund	2,080,960
Upland Invasive Plant Control Special Revenue	292,382
External Grants Fund	1,125,886
Save Our Everglades Special Revenue Fund	297,297
Lake Okeechobee Capital Project Fund	1,853

The deficits in the Save Our Everglades Capital Project and Special Revenue Fund, the External Grant Fund and the Save our Rivers Special Revenue Fund will be funded by pending reimbursements from Florida Department of Environmental Protection. The deficit in the Upland Invasive Plant Control Special Revenue Fund will be funded by pending reimbursements from Florida Fish and Wildlife Conservation. The deficit in the Lake Okeechobee Capital Projects Fund will be funded by an operating transfer from the Lake Okeechobee Special Revenue Fund.

(13) OPERATING LEASES

The District is committed under various operating leases for building, office space, vehicles, office equipment and data processing equipment. The majority of the operating leases contain renewal options that the District may exercise. In most cases, the District expects that in the normal course of business the leases will be renewed or replaced with other leases. Lease expenditures for the year ended September 30, 2015 amounted to approximately \$0.9 million. Future minimum lease payments for these leases are as follows:

Year Ending September 30:

2016	\$ 930,443
2017	616,121
2018	505,553
2019	338,500
2020	309,292
	<u>\$ 2,699,909</u>

(14) RETIREMENT PLAN

The District provides retirement benefits to its employees through the Florida Retirement System (FRS and HIS), Deferred Retirement Option Program (DROP), as well as state approved Other Post Employment Benefits (OPEB) in the form of subsidized health insurance premiums.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(14) *RETIREMENT PLAN (continued)*

Florida Retirement System

The District participates in the Florida Retirement System (FRS). The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the District are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

FRS Pension Plan

Plan Description. The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

Regular Class – Members of the FRS who do not qualify for membership in the other classes.

Elected County Officers Class – Members who hold specified elective offices in local government.

Senior Management Service Class (SMSC) – Members in senior management level positions.

Special Risk Class – Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service (except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service). All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service (except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service). Members of the Plan may include up to 4 years of credit for military service toward creditable service.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(14) RETIREMENT PLAN (continued)

The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

Class, Initial Enrollment, and Retirement Age/Years of Service	% Value
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
Elected County Officers	3.00
Senior Management Service Class	2.00
Special Risk Regular	
Service from December 1, 1970 through September 30, 1974	2.00
Service on and after October 1, 1974	3.00

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(14) RETIREMENT PLAN (continued)

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during fiscal year 2014 - 2015 are as follows:

Class	Percent of Gross Salary	
	Employee	Employer (1)
FRS, Regular	3.00	7.37
FRS, Elected County Officers	3.00	43.24
FRS, Senior Management Service	3.00	21.14
FRS, Special Risk Regular	3.00	19.82
FRS, Special Risk Administrative	3.00	42.07
DROP - Applicable to		
Members from All of the Above Classes	0.00	12.28
FRS, Reemployed Retiree	(2)	(2)

Notes:

(1) Employer rates include 1.26 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.04 percent for administrative costs of the Investment Plan.

(2) Contribution rates are dependent upon retirement class in which reemployed.

The District's contributions for FRS totaled \$6.1 million and employee contributions totaled \$2.68 million for the fiscal year ended September 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At September 30, 2015, the District reported a liability of \$32.3 million for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The District's proportionate share of the net pension liability was based on the District's 2015 fiscal year contributions relative to the 2015 fiscal year contributions of all participating members. At June 30, 2015, the District's proportionate share was .58 percent, which was a decrease of .03 percent from its proportionate share measured as of June 30, 2014.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(14) RETIREMENT PLAN (continued)

For the fiscal year ended September 30, 2015, the District recognized pension expense of \$3 million related to the Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,408,664	\$ 765,775
Change of assumptions	2,143,068	-
Net difference between projected and actual earning on FRS pension plan investments	19,062,309	26,772,160
Changes in proportion and differences between District FRS contributions and proportionate share of contributions		1,941,821
District FRS contributions subsequent to the measurement date	<u>1,460,737</u>	<u>-</u>
	<u>\$ 26,074,778</u>	<u>\$ 29,479,756</u>

The deferred outflows of resources related to pensions, totaling \$1.46 million, resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30:

2016	\$ (1,400,862)
2017	(1,400,862)
2018	(1,400,862)
2019	(1,400,861)
2020	563,804
Thereafter	173,928

Actuarial Assumptions. The total pension liability in the July 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Investment rate of return	7.65 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2014.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(14) RETIREMENT PLAN (continued)

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	3.11%	3.10%	1.65%
Intermediate-Term Bonds	18.00%	4.18%	4.05%	5.15%
High Yield Bonds	3.00%	6.79%	6.25%	10.95%
Broad US Equities	26.50%	8.51%	6.95%	18.90%
Developed Foreign Equities	21.20%	8.66%	6.85%	20.40%
Emerging Market Equities	5.30%	11.58%	7.60%	31.15%
Private Equity	6.00%	11.80%	8.11%	30.00%
Hedge Funds / Absolute Return	7.00%	5.81%	5.35%	10.00%
Real Estate (Property)	12.00%	7.11%	6.35%	13.00%
Total	100.00%			
Assumed inflation - Mean		2.60%		2.00%
(1) As outlined in the Plan's investment policy				

Discount Rate. The discount rate used to measure the total pension liability was 7.65 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Sensitivity of the District's Proportionate Share of the Net Position Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.65 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.65 percent) or 1-percentage-point higher (8.65 percent) than the current rate:

	1.00% Decrease (6.65%)	Current Discount Rate (7.65%)	1.00% Increase (8.65%)
District's proportionate share of the net pension liability	\$ 83,665,696	\$ 32,288,072	\$ (10,466,551)

Pension Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(14) RETIREMENT PLAN (continued)

The Retiree Health Insurance Subsidy Program (HIS)

Plan Description. The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of the State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services, Division of Retirement.

Benefits Provided. For the fiscal year ended September 30, 2015, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2015, the contribution rate was 1.26 percent of payroll pursuant to section 112.363, Florida Statutes. The District contributed 100 percent of its statutorily required contributions for the current and preceding three years. The HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. The HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The District's contributions for the HIS plan totaled \$1.25 million for fiscal year 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At September 30, 2015, the District reported a net pension liability of \$33.4 million for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The District's proportionate share of the net pension liability was based on the District's 2013-14 fiscal year contributions relative to the total 2013-14 fiscal year contributions of all participating members. At September 30, 2015, the District's proportionate share was .33 percent, which was a decrease of .01 percent from its proportionate share measured as of June 30, 2014.

For the fiscal year ended September 30, 2015, the District recognized pension expense of \$2.0 million related to the HIS Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(14) RETIREMENT PLAN (continued)

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of assumptions	\$ 2,630,180	\$ -
Net difference between projected and actual earnings on HIS pension plan investments	18,097	
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	-	2,626,880
District HIS contributions subsequent to measurement date	426,890	-
	<u>\$ 3,075,167</u>	<u>\$ 2,626,880</u>

The deferred outflows of resources related to pensions, totaling \$426,890, resulting from District contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30:

2016	\$ (30,013)
2017	(30,013)
2018	(30,013)
2019	(30,013)
2020	(34,537)
Thereafter	175,986

Actuarial Assumptions. The total pension liability in the July 1, 2014, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Investment rate of return	3.80 percent, Municipal Bond Rate

Mortality rates were based on the Generational RP-2000 with Projected Scale BB.

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial study with an Actuarial Valuation date of June 30, 2014.

Discount Rate. The discount rate used to measure the total pension liability was 3.80 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(14) RETIREMENT PLAN (continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 3.80 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.80 percent) or 1-percentage-point higher (4.80 percent) than the current rate:

	1.00% Decrease (2.80%)	Current Discount Rate (3.80%)	1.00% Increase (4.80%)
District's proportionate share of the net pension liability	\$ 38,093,539	\$ 33,431,413	\$ 29,543,900

Pension Plan Fiduciary Net Position. Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

FRS – Defined Contribution Pension Plan

The District contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the State Board of Administration (SBA), and is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. District employees participating in the DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Allocations to the investment member's accounts during the 2014-15 fiscal year were as follows:

Membership Class	Percentage of Gross Compensation
FRS, Regular	6.30
FRS, Elected County Officers	11.34
FRS, Senior Management Service	7.67

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(14) RETIREMENT PLAN (continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended September 30, 2015, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The District's Investment Plan pension contributions totaled \$1.44 million for the fiscal year ended September 30, 2015.

(15) OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description

District retirees and their eligible dependents may continue participation in the District health insurance program as required by Florida Statutes, Section 112.0801. Because the cost to the retirees cannot be greater than that to active employees for the same coverage, an implicit subsidy is being provided to retirees.

In January 2007, the District Governing Board approved a direct subsidy program to aid retirees in retaining quality healthcare coverage. The subsidy is a discount of the total premium contribution equal to 2% for each year of creditable service under the Florida Retirement System to a maximum of 30 years of creditable service or 60%. Effective July 2, 2012, the direct subsidy program was closed to new participants. Eligibility requirements include a minimum six years of consecutive District service immediately preceding retirement and be age 62 or older, or have a minimum of 25 years of FRS service, regardless of age. In order to maintain eligibility for the 2.0% retiree subsidy program, current employees were required to declare their intent to retire by July 2, 2012, and must have separated from District employment by December 12, 2012.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(15) OTHER POST EMPLOYMENT BENEFITS (OPEB) (continued)

The plan, a single employer defined benefit plan, is administered by the District. No formal trust is currently in place and benefits are provided through the annual budget appropriation. The provisions of the direct subsidy were established and may be amended by resolution of the District Governing Board. There is no separately issued financial report for the plan.

As of the July 2013 valuation date, the plan covered 1,546 active participants and 372 retirees.

Funding Policy

The District contributes 2% for each year of creditable service up to a maximum of 30 years or 60% of the total premium for retirees currently in the program. All other costs are paid by the retirees. The plan is financed on a pay-as-you-go basis.

Annual OPEB Costs and Net OPEB Obligation

For the fiscal year ended September 30, 2015, the District's annual OPEB cost of \$4,993,092 was equal to the annual required contribution (ARC) for the fiscal year, one year's interest on the net OPEB obligation, and an adjustment equal to the discounted present value of the balance of the

net OPEB obligation at the beginning of the year. The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for fiscal years 2015, 2014, and 2013 are as follows:

	2015	2014	2013
Normal Cost (Service cost for one year)	\$ 1,968,628	\$ 1,857,787	\$ 2,007,312
Amortization of Unfunded Actuarial Accrued Liability	3,066,411	2,948,472	2,701,206
Interest on Normal Cost and Amortization	49,612	47,359	47,538
Annual Required Contribution (ARC)	5,084,651	4,853,618	4,756,056
Interest on NOO	1,052,918	961,575	865,917
Adjustment to ARC	(1,144,477)	(1,045,190)	(854,576)
Annual OPEB Cost (Expense)	4,993,092	4,770,003	4,767,397
Employer Contributions Made	(2,241,643)	(2,486,411)	(1,847,965)
Increase (decrease) in NOO	2,751,449	2,283,592	2,919,432
Net OPEB Obligation (NOO) at beginning of year	26,322,960	24,039,368	21,119,936
Estimated NOO at end of year	29,074,409	26,322,960	24,039,368
Percentage of annual OPEB Cost Contributed	44.89%	52.13%	38.76%

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(15) OTHER POST EMPLOYMENT BENEFITS (OPEB) (continued)

Funded Status and Funding Progress

The funded status of the plan as of September 30, 2015 was as follows:

Actuarial Accrued Liability (AAL)	\$ 66,497,952
Actuarial Value of Plan Assets	-
Unfunded Actuarial Accrued Liability (UAAL)	66,497,952
Funded Ratio (Actuarial Value of Plan Assets/AAL)	-
Covered Payroll (Active Plan Members)	103,092,344
UAAL as a Percentage of Covered Payroll	64.50%

Actuarial valuations of an OPEB plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continued revision as actual results are compared to past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the pattern of sharing of benefit costs between employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2013 actuarial valuation, as updated, the individual entry age actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return, a 3.0% rate of general price inflation, and an annual healthcare cost trend rate of 8.5% in 2015, followed by 8.0% and 7.5% trend rates the next two years, respectively, followed by a trending down to an ultimate rate of 5.26% per year after 12 years, or 2030. The actuarial value of assets was not determined as the District has not advanced funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percent of payroll over a 22-year period with a closed amortization method. The assumed rate of payroll growth is 4.0% per year.

The required schedule of funding progress, as shown in the Notes to the Required Supplementary Information (see page IV-11), presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

(16) INSURANCE ACTIVITIES

The District is exposed to the various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. In 1976 the District established a self-insurance program for its workers' compensation exposure and in 1986 the District established a self-insurance program for automobile and general liability claims.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(16) INSURANCE ACTIVITIES (continued)

These self-insured claims are administered by a third party and are accounted for in the Self Insurance Fund (an internal service fund).

The District is totally self-insured for workers' compensation claims and the District's financial exposure for automobile and general liability is limited to \$200,000 per person and \$300,000 per occurrence pursuant to Section 768.28, Florida Statutes. Expenditures relating to insurance are charged to other funds based on a cost allocation study performed by Management. These expenditures include actuarial estimates utilizing the Casualty Actuarial Society Statement of Principles Regarding Property and Casualty Loss and Loss Adjustment Expense. The actuarial calculations are utilized to determine the amount needed for losses incurred but not reported (IBNR) at year end. The District transfers its risk for personal and commercial property, as well as aviation, through the purchase of an insurance policy. The coverage is written on a 100% replacement/stated value basis, with varying retentions.

The District has a self-insurance program for health benefits, including medical, dental and vision coverage, for its employees and retirees who choose to remain within the plan. The claims are administered by a third party and accounted for in the Health Benefits Fund (an internal service fund). The participating funds make payments to the Health Benefits Fund by means of premiums charged and employee payroll deductions. The payments are based on management's estimates, using historical trends, of the amounts needed to pay prior and current year claims. The expenditures include an actuarial estimate to determine the amount needed for losses incurred but not reported at year end. The District maintains excess insurance coverage for health care costs.

The claims liabilities are based on actuarial valuations performed by independent actuaries as of September 30, 2015, and are presented on a net undiscounted basis. The liability includes claims incurred but not reported. The estimated liabilities by risk category at September 30, 2015 are as follows:

	Balance 9/30/2015	Amounts Due Within One Year
Workers' Compensation	\$ 3,537,000	\$ 823,853
General and Automobile	59,000	74,332
Health Insurance	1,487,219	1,487,219
	<u>\$ 5,083,219</u>	<u>\$ 2,385,404</u>

Changes in the claims liability amount for the current and prior fiscal year are summarized below:

Fiscal Year	Beginning Liability	Current Claims and Changes in Estimates	Claim Payments	Ending Liability
2014	6,343,956	26,204,480	(27,030,518)	5,517,918
2015	5,517,918	24,962,644	(25,397,343)	5,083,219

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(17) CONDEMNATION PROCEEDINGS

To minimize the financial impact of potential unforeseen catastrophes, District policy allows a fund balance reserve for the self-insurance of workers' compensation, general and automobile liability claims, of up to \$10 million in excess of the most recent actuarially-estimated liability determination.

There were no significant changes in insurance coverage from the prior year and the amount of settlements did not exceed the insurance coverage for each of the past three years.

The District is party to numerous lengthy condemnation proceedings (as plaintiff) and inverse condemnation proceedings (as defendant or co-defendant) regarding the taking of private lands throughout the District for public use. The court may rule there was no taking of land by the District resulting in no commitment to the District. Where a taking is ruled, the court determines the value of the land claimed by the owner and payment is made to the owner upon transfer of title to the District.

At September 30, 2015, the court had yet to rule on a number of proceedings for which the land value and title transfer date is undetermined. The District is unable to estimate the potential financial exposure relative to these rulings, if any.

When the court rules there is a taking, the District will budget and appropriate funds to pay for the purchase of the land.

(18) MAJOR CONSTRUCTION COMMITMENTS

The **Everglades Construction Project (ECP)**, the first major step in the Everglades restoration pursuant to the Everglades Forever Act (EFA) was passed by the Florida Legislature in 1994. The 1994 EFA directed the District to acquire land, design, permit, and construct a series of Stormwater Treatment Areas (STAs) to reduce phosphorus levels from stormwater runoff and other sources before it enters the Everglades Protection Area (EPA). In total, the ECP was composed of 12 interrelated construction projects located between Lake Okeechobee and the EPA. The STAs, which consist of six large constructed wetlands with a combined area of over 52,000 acres, are the cornerstone of the ECP.

The ECP is one of the largest public works projects in the nation for environmental restoration. The total cost associated with implementing the ECP is shared among the District, state and federal governments, and the agricultural community. Major funding sources for the EFA include a one-tenth mill ad valorem property tax levy (0.0548 mill for FY2015), agricultural privilege taxes, state funds, federal funds, Alligator Alley toll revenues, and other environmental mitigation funds. The 1994 ECP capital projects were completed in fiscal year 2007 for a total cost of \$514.8 million (local share). When combined with the federal share of \$198.9 million, the total capital cost associated with the 1994 ECP is \$713.7 million.

In 2003 the Florida Legislature amended the 1994 EFA to include the 2003 Long-Term Plan for Achieving Water Quality Goals for Everglades Protection Area Tributary Basins (Long-Term Plan) as the strategy for achieving the long-term water quality goals for the Everglades Protection Area. The amended EFA also expanded the use of the District's one-tenth mill ad valorem property tax

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(18) MAJOR CONSTRUCTION COMMITMENTS (continued)

levy, agricultural privilege taxes and other funding sources for implementing the initial phase of the Long-Term Plan, including Everglades Stormwater Treatment Area enhancements, research and optimization, and operation and maintenance of the ECP. Also in 2003, the State of Florida's Environmental Regulation Commission adopted a water quality standard for phosphorus within the EPA that includes a numeric criterion of 10 parts per billion (ppb) for total phosphorus.

In 2004, the Long-Term Plan was revised to include the addition of approximately 18,000 acres of STAs on Compartments B and C in the Everglades Agricultural Area (EAA). There were subsequent revisions occurring in 2005, 2006 and 2007. These revisions also addressed modifications to the STA enhancement projects, changes to the source controls component of the plan, changes to the plan's Process Development and Engineering component, and the addition of new projects to the Long-Term Plan. The revised Long-Term Plan's initial 13-year phase is projected to cost approximately \$1.2 billion.

In 2013, the Florida legislature modified the EFA and redefined the Long-Term Plan to also include the Restoration Strategies Regional Water Quality Plan, as defined in Section 373.4592(2)(j), F.S.

In fiscal year 2015, a total of \$73.1 million was expended for work associated with the Everglades Forever Act. Of this amount, \$5.8 million was expended for Restoration Strategies – Regional Projects Conceptual Planning and Design, \$23.6 million for construction on Restoration Strategies project in EAA and \$21 million for STA Operations and Maintenance. Debt Service payments related to Certificates of Participation issued in 2006 (FY2007) to fund construction totaled \$19.5 million. The remaining \$3.3 million was spent on other EFA-related components such as program support, monitoring, assessment, research, and evaluation in the EPA. The District's estimated remaining commitment for the ECP and Long-Term Plan is \$121.8 million.

The **Comprehensive Everglades Restoration Plan** is a conceptual plan that proposes major modifications to the Central and Southern Florida Project in order to reverse decades of ecosystem decline. Specifically, the plan describes nearly 50 major projects and 68 project components to be constructed at an original cost estimate of \$10.9 billion, in 2004 dollars. Major components of CERP focus on restoring the quantity, quality, timing, and distribution of water for the natural system, and include aquifer storage and recovery, in-ground reservoirs, rainfall-driven operations, removing barriers to sheetflow, seepage management, stormwater treatment areas, surface water storage reservoirs, and water reuse and conservation. The estimated costs for CERP have increased to \$17.6 billion, based on price level (inflation) adjustments to 2014 dollars; and revisions made to scope based on finalized designs for projects such as the Indian River Lagoon – South, Picayune Strand Restoration, Fran Reich Preserve - Site 1 Impoundment, and C-111 Spreader Canal Western projects.

CERP is an equal partnership between the State of Florida and the federal government. The State of Florida and the South Florida Water Management District have invested approximately \$2.1 billion toward this effort. Through September 30, 2015, 251,236 acres or 65 percent of the estimated lands needed to implement CERP have been acquired.

In fiscal year 2015, a total of \$90.4 million dollars were expended for the implementation of CERP projects, of which payments of Debt Service related to Certificates of Participation issued by the SFWMD and bonds issued by FDEP totaled \$30.5 million dollars. The District's estimated remaining commitment for the CERP is \$756.7 million.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2015**

(19) OTHER COMMITMENTS AND CONTINGENCIES

The District also participates in several other federal and state assistance programs that are subject to financial and program compliance audits. Such audits could lead to reimbursements to the grantor agency for disallowed expenditures. However, management believes any additional such disallowances, if any, will be immaterial.

(20) SUBSEQUENT EVENTS

In February 2016, the District advance refunded \$442,025,000 of the par value of its Series 2006 Certificates of Participation (COPs). This in-substance defeasance was financed through the issuance of the Series 2015 Refunding COPs with a par value of \$385,425,000 together with a net premium of \$70,872,796.80. In addition, the District contributed \$6,900,000 of funds on hand toward the advance refunding. These funds have been placed into escrow with U.S. Bank National Association from which \$1.1 million was paid for the costs of issuance. Remaining debt service for the defeased Series 2006 COPs is \$724.4 million while remaining debt service for the Series 2015 Refunding COPs is \$625.5 million for a total savings over the remaining life of the debt of \$98.9 million. The economic gain on the refunding is a net present value savings of \$72.2 million through fiscal year 2037.

FINANCIAL SECTION

REQUIRED SUPPLEMENTARY INFORMATION
OTHER THAN MD&A
(UNAUDITED)

**South Florida Water Management District
General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - (Unaudited)
For the Year Ended September 30, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
REVENUES				
Ad Valorem Property Taxes	\$ 111,016,451	\$ 111,016,451	\$ 112,412,773	\$ 1,396,322
Intergovernmental	475,352	475,352	317,484	(157,868)
Investment Earnings (Losses)	1,000,000	1,000,000	1,813,712	813,712
Licenses, Permits and Fees	2,742,999	2,742,999	3,647,455	904,456
Sale of District Property	75,000	75,000	27,761	(47,239)
Leases	49,000	49,000	89,462	40,462
Other	434,700	434,700	740,710	306,010
Total Revenues	<u>115,793,502</u>	<u>115,793,502</u>	<u>119,049,357</u>	<u>3,255,855</u>
EXPENDITURES				
Current				
Administrative Services and Executive Offices				
Land Stewardship	380,087	349,137	305,689	43,448
Mission Support	30,577,664	30,593,855	27,168,723	3,425,132
Modeling and Scientific Support	3,436,374	3,196,211	2,488,663	707,548
Operations and Maintenance	10,788,613	10,715,849	9,559,826	1,156,023
Regulation	5,467,861	4,827,571	3,783,359	1,044,212
Restoration	14,368,446	9,862,689	7,625,799	2,236,890
Water Supply	993,923	863,917	523,401	340,516
Total Administrative Services and Executive Offices	<u>66,012,968</u>	<u>60,409,229</u>	<u>51,455,460</u>	<u>8,953,769</u>
Operations, Maintenance, and Construction				
Land Stewardship	228,568	207,088	178,801	28,287
Mission Support	465,423	448,978	337,064	111,914
Modeling and Scientific Support	2,151,290	1,907,606	1,844,899	62,707
Operations and Maintenance	10,254,961	9,491,461	8,001,858	1,489,603
Regulation	73,531	91,257	90,807	450
Restoration	5,665,419	7,016,230	5,148,471	1,867,759
Water Supply	626,113	715,513	690,446	25,067
Total Operations, Maintenance, and Construction	<u>19,465,305</u>	<u>19,878,133</u>	<u>16,292,346</u>	<u>3,585,787</u>
Regulation				
Modeling and Scientific Support	23,044	6,865	-	6,865
Operations and Maintenance	18,127	18,127	16,355	1,772
Regulation	13,748,060	13,681,437	13,586,161	95,276
Restoration	555,205	578,641	539,910	38,731
Water Supply	98,984	87,461	57,036	30,425
Total Regulation	<u>14,443,420</u>	<u>14,372,531</u>	<u>14,199,462</u>	<u>173,069</u>

**South Florida Water Management District
General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - (Unaudited)
For the Year Ended September 30, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Water Resources				
Modeling and Scientific Support	7,182,717	7,529,674	7,262,350	267,324
Restoration	5,716,853	5,707,285	4,774,505	932,780
Water Supply	7,359,417	5,592,001	5,025,073	566,928
Total Water Resources	<u>20,258,987</u>	<u>18,828,960</u>	<u>17,061,928</u>	<u>1,767,032</u>
Contingency				
Managerial Reserve	-	9,294,729	-	9,294,729
Managerial Reserve-Contingency	15,742,735	15,742,735	-	15,742,735
Total Contingency	<u>15,742,735</u>	<u>25,037,464</u>	<u>-</u>	<u>25,037,464</u>
Total Expenditures	<u>135,923,415</u>	<u>138,526,317</u>	<u>99,009,196</u>	<u>39,517,121</u>
Revenues in Excess of (Less than) Expenditures	<u>(20,129,913)</u>	<u>(22,732,815)</u>	<u>20,040,161</u>	<u>42,772,976</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	8,586,248	11,189,149	2,738,456	(8,450,693)
Transfers Out	(31,004,905)	(31,004,905)	(22,554,212)	8,450,693
Total Other Financing Sources (Uses)	<u>(22,418,657)</u>	<u>(19,815,756)</u>	<u>(19,815,756)</u>	<u>-</u>
Net Change in Fund Balance	(42,548,570)	(42,548,571)	224,405	42,772,976
Fund Balance at Beginning of Year	63,419,698	63,419,698	63,419,698	-
Fund Balance at End of Year	<u>\$ 20,871,128</u>	<u>\$ 20,871,127</u>	<u>\$ 63,644,103</u>	<u>\$ 42,772,976</u>

**South Florida Water Management District
Okeechobee Basin Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - (Unaudited)
For the Year Ended September 30, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
REVENUES				
Ad Valorem Property Taxes	\$ 110,317,070	\$ 110,317,070	\$ 111,564,055	\$ 1,246,985
Intergovernmental	2,356,571	2,356,571	6,905,056	4,548,485
Investment Earnings (Losses)	1,150,000	1,150,000	1,973,240	823,240
Licenses, Permits and Fees	60,000	60,000	122,715	62,715
Sale of District Property	175,000	175,000	201,751	26,751
Leases	1,269,105	1,269,105	1,246,431	(22,674)
Other	25,000	25,000	3,557,901	3,532,901
Total Revenues	<u>115,352,746</u>	<u>115,352,746</u>	<u>125,571,149</u>	<u>10,218,403</u>
EXPENDITURES				
Current				
Administrative Services and Executive Offices				
Land Stewardship	1,081,886	1,084,136	671,250	412,886
Mission Support	3,920,953	3,722,272	2,764,618	957,654
Operations and Maintenance	4,541,488	2,556,734	1,173,607	1,383,127
Regulation	-	3,206	3,201	5
Restoration	15,748,072	4,477,150	2,511,925	1,965,225
Total Administrative Services and Executive Offices	<u>25,292,399</u>	<u>11,843,498</u>	<u>7,124,601</u>	<u>4,718,897</u>
Operations, Maintenance, and Construction				
Land Stewardship	4,996,438	5,046,291	4,641,915	404,376
Mission Support	-	8,423	8,423	-
Modeling and Scientific Support	226,559	226,559	160,376	66,183
Operations and Maintenance	70,689,666	74,066,362	68,518,606	5,547,756
Regulation	-	11,955	10,720	1,235
Restoration	2,892,140	3,525,237	3,029,612	495,625
Water Supply	-	17,370	15,750	1,620
Total Operations, Maintenance, and Construction	<u>78,804,803</u>	<u>82,902,197</u>	<u>76,385,402</u>	<u>6,516,795</u>
Regulation				
Operations and Maintenance	500	500	500	-
Restoration	675,384	525,384	508,201	17,183
Total Regulation	<u>675,884</u>	<u>525,884</u>	<u>508,701</u>	<u>17,183</u>
Water Resources				
Modeling and Scientific Support	-	9,095	8,521	574
Operations and Maintenance	-	4,700	3,326	1,374
Restoration	5,663,958	5,104,196	3,520,274	1,583,922
Water Supply	280,952	229,872	164,440	65,432
Total Water Resources	<u>5,944,910</u>	<u>5,347,863</u>	<u>3,696,561</u>	<u>1,651,302</u>

**South Florida Water Management District
Okeechobee Basin Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - (Unaudited)
For the Year Ended September 30, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
Contingency				
Managerial Reserve	-	13,123,657	-	13,123,657
Managerial Reserve-Contingency	40,512,602	40,512,602	-	40,512,602
Total Contingency	40,512,602	53,636,259	-	53,636,259
Total Expenditures	151,230,598	154,255,701	87,715,265	66,540,436
Revenues in Excess of (Less than) Expenditures	(35,877,852)	(38,902,955)	37,855,884	76,758,839
OTHER FINANCING SOURCES (USES)				
Transfers In	8,570	3,137,898	3,137,898	-
Transfers Out	(32,569,971)	(32,674,195)	(32,674,195)	-
Total Other Financing Sources (Uses)	(32,561,401)	(29,536,297)	(29,536,297)	-
Net Change in Fund Balance	(68,439,253)	(68,439,252)	8,319,587	76,758,839
Fund Balance at Beginning of Year	107,856,922	107,856,922	107,856,922	-
Fund Balance at End of Year	\$ 39,417,669	\$ 39,417,670	\$ 116,176,509	\$ 76,758,839

**South Florida Water Management District
Everglades Restoration Trust Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - (Unaudited)
For the Year Ended September 30, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
REVENUES				
Ad Valorem Property Taxes	\$ 35,208,943	\$ 35,208,943	\$ 35,619,789	\$ 410,846
Agricultural Privilege Taxes	10,950,000	10,950,000	11,080,857	130,857
Intergovernmental	1,000,000	1,000,000	1,028,965	28,965
Investment Earnings (Losses)	950,000	950,000	440,208	(509,792)
Sale of District Property	-	-	9,441	9,441
Other	-	-	77,174	77,174
Total Revenues	<u>48,108,943</u>	<u>48,108,943</u>	<u>48,256,434</u>	<u>147,491</u>
EXPENDITURES				
Current				
Administrative Services and Executive Offices				
Restoration	7,211,959	4,375,754	2,991,240	1,384,514
Water Supply	80,852	-	-	-
Total Administrative Services and Executive Offices	<u>7,292,811</u>	<u>4,375,754</u>	<u>2,991,240</u>	<u>1,384,514</u>
Operations, Maintenance, and Construction				
Operations and Maintenance	-	20,061	13,738	6,323
Restoration	23,023,614	20,460,276	19,114,652	1,345,624
Total Operations, Maintenance, and Construction	<u>23,023,614</u>	<u>20,480,337</u>	<u>19,128,390</u>	<u>1,351,947</u>
Regulation				
Restoration	1,177,678	1,146,258	1,068,381	77,877
Total Regulation	<u>1,177,678</u>	<u>1,146,258</u>	<u>1,068,381</u>	<u>77,877</u>
Water Resources				
Modeling and Scientific Support	-	2,336	-	2,336
Restoration	5,100,651	5,541,544	5,035,999	505,545
Total Water Resources	<u>5,100,651</u>	<u>5,543,880</u>	<u>5,035,999</u>	<u>507,881</u>
Contingency				
Managerial Reserve	-	4,460,820	-	4,460,820
Managerial Reserve-Contingency	3,000,000	3,000,000	-	3,000,000
Total Contingency	<u>3,000,000</u>	<u>7,460,820</u>	<u>-</u>	<u>7,460,820</u>
Total Expenditures	<u>39,594,754</u>	<u>39,007,049</u>	<u>28,224,010</u>	<u>10,783,039</u>
Revenues in Excess of (Less than) Expenditures	<u>8,514,189</u>	<u>9,101,894</u>	<u>20,032,424</u>	<u>10,930,530</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	6,276,576	6,276,576	6,276,576	-
Transfers Out	(19,585,533)	(20,173,238)	(20,173,238)	-
Total Other Financing Sources (Uses)	<u>(13,308,957)</u>	<u>(13,896,662)</u>	<u>(13,896,662)</u>	<u>-</u>
Net Change in Fund Balance	(4,794,768)	(4,794,768)	6,135,762	10,930,530
Fund Balance at Beginning of Year	9,883,142	9,883,142	9,883,142	-
Fund Balance at End of Year	<u>\$ 5,088,374</u>	<u>\$ 5,088,374</u>	<u>\$ 16,018,904</u>	<u>\$ 10,930,530</u>

**South Florida Water Management District
Lake Belt Mitigation Special Revenue
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - (Unaudited)
For the Year Ended September 30, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
REVENUES				
Investment Earnings (Losses)	-	-	682,154	682,154
Licenses, Permits and Fees	1,260,053	1,260,053	17,443,476	16,183,423
Total Revenues	<u>1,260,053</u>	<u>1,260,053</u>	<u>18,125,630</u>	<u>16,865,577</u>
EXPENDITURES				
Current				
Administrative Services and Executive Offices				
Land Stewardship	110,993	108,678	58,321	50,357
Total Administrative Services and Executive Offices	<u>110,993</u>	<u>108,678</u>	<u>58,321</u>	<u>50,357</u>
Operations, Maintenance, and Construction				
Land Stewardship	19,999,052	19,905,283	1,034,563	18,870,720
Total Operations, Maintenance, and Construction	<u>19,999,052</u>	<u>19,905,283</u>	<u>1,034,563</u>	<u>18,870,720</u>
Contingency				
Managerial Reserve	-	8,967	-	8,967
Total Contingency	<u>-</u>	<u>8,967</u>	<u>-</u>	<u>8,967</u>
Total Expenditures	<u>20,110,045</u>	<u>20,022,928</u>	<u>1,092,884</u>	<u>18,930,044</u>
Revenues in Excess of (Less than) Expenditures	<u>(18,849,992)</u>	<u>(18,762,875)</u>	<u>17,032,746</u>	<u>35,795,621</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(21,660)	(108,777)	(108,777)	-
Total Other Financing Sources (Uses)	<u>(21,660)</u>	<u>(108,777)</u>	<u>(108,777)</u>	<u>-</u>
Net Change in Fund Balance	(18,871,652)	(18,871,652)	16,923,969	35,795,621
Fund Balance at Beginning of Year	43,802,175	43,802,175	43,802,175	-
Fund Balance at End of Year	<u>\$ 24,930,523</u>	<u>\$ 24,930,523</u>	<u>\$ 60,726,144</u>	<u>\$ 35,795,621</u>

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY –
FLORIDA RETIREMENT SYSTEM PENSION PLAN
SEPTEMBER 30, 2015**

	<u>2015</u>	<u>2014</u>
District's proportion of the FRS net pension liability	0.2500%	0.2630%
District's proportionate share of the FRS net pension liability	\$ 32,288,072	\$ 16,048,859
District's covered-employee payroll	\$ 100,948,387	\$ 104,429,837
District's proportionate share of the FRS net pension liability as a percentage of its covered-employee payroll	31.98%	15.37%
FRS Plan fiduciary net position as a percentage of the total pension liability	92.00%	96.09%

Note: The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate the requirements of GASB Statement No. 68. Currently, only data for fiscal year ending June 30, 2015 and 2014 are available.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS –
FLORIDA RETIREMENT SYSTEM PENSION PLAN
SEPTEMBER 30, 2015**

	<u>2015</u>		<u>2014</u>
Contractually required FRS contribution	\$ 6,094,687	\$	5,761,531
FRS contributions in relation to the contractually required contribution	(6,094,687)		(5,761,531)
FRS contribution deficiency (excess)	<u>\$ -</u>	<u>\$</u>	<u>-</u>
District's covered-employee payroll	\$ 103,723,669	\$	103,356,785
FRS contributions as a percentage of covered-employee payroll	5.88%		5.57%

Note: The amounts presented for each fiscal year were determined as of September 30th. The schedule is presented to illustrate the requirements of GASB Statement No. 68. Currently, only data for fiscal year ending September 30, 2014 and 2015 are available.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY –
HEALTH INSURANCE SUBSIDY PENSION PLAN
SEPTEMBER 30, 2015**

	<u>2015</u>	<u>2014</u>
District's proportion of the HIS net pension liability	0.3278%	0.3471%
District's proportionate share of the HIS net pension liability	\$ 33,431,413	\$ 32,453,571
District's covered-employee payroll	\$ 100,948,387	\$ 104,429,837
District's proportionate share of the HIS net pension liability as a percentage of its covered-employee payroll	33.12%	31.08%
HIS Plan fiduciary net position as a percentage of the total pension liability	0.50%	0.99%

Note: The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate the requirements of GASB Statement No. 68. Currently, only data for fiscal year ending June 30, 2015 and 2014 are available.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS –
 HEALTH INSURANCE SUBSIDY PENSION PLAN
 SEPTEMBER 30, 2015**

	<u>2015</u>	<u>2014</u>
Contractually required HIS contribution	\$ 1,253,092	\$ 1,189,007
HIS contributions in relation to the contractually required contribution	(1,253,092)	(1,189,007)
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	103,723,669	103,356,785
HIS contributions as a percentage of covered-employee payroll	1.21%	1.15%

Note: The amounts presented for each fiscal year were determined as of September 30th. The schedule is presented to illustrate the requirements of GASB Statement No. 68. Currently, only data for fiscal year ending September 30, 2014 and 2015 are available.

South Florida Water Management District
Schedule of Employer Contributions
Other Post-Employment Benefit Plans
September 30, 2015

Schedule of Employer Contributions

Year Ended September 30,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2010	\$ 1,560,396	\$ 7,972,296	19.57%
2011	\$ 3,705,335	\$ 7,834,678	47.29%
2012	\$ 2,344,703	\$ 4,813,042	48.72%
2013	\$ 1,847,965	\$ 4,756,056	38.85%
2014	\$ 2,486,411	\$ 4,853,618	51.23%
2015	\$ 2,241,643	\$ 5,084,651	44.09%

Schedule of Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded Actuarial Accrued Liability (UAAL)	(4) Funded Ratio (Actuarial Value of Plan Assets/AAL)	(5) Covered Payroll (Active Plan Members)	(6) UAAL as a Percentage of Covered Payroll
			(2) - (1)	(1) / (2)		(3) / (5)
7/1/2009	-	\$ 93,842,506	\$ 93,842,506	0%	\$110,368,449	85.03%
7/1/2011	-	\$ 62,913,036	\$ 62,913,036	0%	\$108,728,010	57.86%
7/1/2013	-	\$ 66,497,952	\$ 66,497,952	0%	\$103,092,344	64.50%

As required by GASB Statement No. 45 an actuarial valuation is required at least biennially.

* Denotes update for plan change since previous valuation.

**SOUTH FLORIDA WATER MANAGEMENT DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2015**

BUDGETARY INFORMATION

- Budgets are legally adopted for all funds and are adopted on a basis consistent with generally accepted accounting principles. The adopted budget represents a fiscal-year financial plan that details Governing Board approved revenues and expenditures. The District's level of budgetary control, defined as the lowest level at which management may not reallocate resources without approval of the Governing Board, is at the program level within a fund and resource area. There are seven Programs: Land Stewardship, Mission Support, Modeling and Scientific Support, Operations and Maintenance, Regulation, Restoration, and Water Supply. The District is organized by four main resource areas: Administrative Services and Executive Offices; Operations, Maintenance, and Construction; Regulation; and Water Resources.
- The accompanying budgetary data represent the original and the final amended budgets as approved by the Governing Board. During fiscal year 2015, the Governing Board approved one budget amendment which effected governmental funds. The budget amendment recognized \$1,655,000 of unanticipated state revenues from the Florida Department of Environmental Protection. This amendment impacted governmental funds other than the four presented herein. As part of the adoption of the original District budget, the Governing Board-authorized resolution provides for the transfer of funds from and to the General Fund and/or Special Revenue Funds to and from the corresponding Capital Projects Fund to cover additional expenditures which are recorded to the corresponding fund types. These transfers are processed throughout the fiscal year, and while there is no impact to the overall District budget total, individual Funds will realize increases or decreases in budget in comparison to the amount originally adopted.
- As a result of the aforementioned inter-fund transfers processed during fiscal year 2015, General Fund and the Okeechobee Basin Special Revenue Fund realized increases in budgeted expenditures of \$2,602,902 and \$3,025,103, respectively. While the Everglades Restoration Trust Special Revenue Fund and the Lake Belt Mitigation Special Revenue Fund realized decreases in budgeted expenditures of \$587,705 and \$87,117, respectively. None of the reported funds had expenditures for the fiscal year in excess of the final budgetary appropriation.

OTHER POST-EMPLOYMENT BENEFITS (OPEB)

- The employer contributions reported on the Schedule of Employer Contributions (see page IV-11) represents the current amount paid by the District for the current year cost of the benefits, which were entirely paid to or on behalf of retirees. Accordingly, no assets have been placed in trust to advance fund the employer's obligation.

FINANCIAL SECTION

OTHER SUPPLEMENTARY INFORMATION

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue Funds are maintained to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Big Cypress Basin Fund

Accounts for the normal operating expenditures of the Big Cypress Basin, an area covering all or part of two counties in Southwest Florida. Funding is provided by a .1520 mill tax levy and interest earnings.

Save Our Rivers Fund

Accounts for revenues provided by: 1) a portion of documentary stamp tax revenues appropriated and allocated in the District's name and deposited in the Florida Water Management Lands Trust Fund administered by the State of Florida, 2) regulatory fines, and 3) interest earnings used to fund expenditures incurred towards the management and restoration of environmentally sensitive water resource lands within the District. This fund also accounts for the principal and interest payments on special obligation land acquisition bonds.

State Appropriations Fund

Accounts for revenue collected and operating expenditures for various projects utilizing state sources. Among the funding sources are the Ecosystem Management and Restoration Trust Fund, the Water Protection and Sustainability Trust Fund, and various state agencies.

Invasive Aquatic Plant Control Fund

Accounts for revenues provided by the Florida Department of Environmental Protection towards expenditures incurred for aquatic plant control throughout the District, including the Kissimmee River and Upper Chain of Lakes.

Upland Invasive Plant Control Fund

Accounts for revenues provided by the Florida Department of Environmental Protection which fund expenditures incurred in order to control the spread of melaleuca trees in environmentally sensitive areas.

Wetland Mitigation Fund

Accounts for revenues provided by private and other governmental contributions as part of the required permit to fund expenditures incurred to create new wetlands or improve alternative existing wetlands due to the destruction of designated wetlands. Revenues are also provided by interest earnings on unspent fund balances.

Indian River Lagoon Restoration Fund

Accounts for revenues provided by sales of Indian River Lagoon license plates, used in funding expenditures incurred for the purpose of enhancing the environmental and scenic value of surface waters in the Indian River Lagoon.

Federal Land Management Fund

Accounts for grant revenues received from the federal government in support of expenditures relating to the management and maintenance of environmentally sensitive lands.

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

Nonmajor Governmental Funds

Special Revenue Funds (continued)

External Grants Fund

Accounts for revenues and expenditures related to grants that are received and used primarily for monitoring, restoration, and maintenance efforts. This separate fund facilitates the detailed tracking of expenditures and/or cost share contributions.

Everglades License Plate Fund

Accounts for proceeds derived from Everglades license plate sales, which are used to fund expenditures incurred towards the conservation and protection of the natural resources and abatement of water pollution in the Everglades.

Lake Okeechobee Fund

Accounts for revenues provided by the State of Florida through the Department of Environmental Protection towards restoration projects associated with Lake Okeechobee.

Save Our Everglades Fund

Accounts for revenues and operating expenditures for the Comprehensive Everglades Restoration Plan (CERP) and the Northern Everglades Estuary Protection Program (NEEPP) which are funded from the State's Save Our Everglades Trust Fund.

Land Acquisition Trust Fund

Accounts for revenues and operating expenditures received from the Trust Fund of the same name. Funding is used for debt service, land management, and dispersed water manage projects.

Federal Emergency Management Agency Fund

Accounts for revenues provided by the Department of Homeland Security to fund operating costs associated with noncapital project expenditures.

Florida Bay Fund

Accounts for operating expenditures associated with restoring a more natural quantity, distribution, and timing of water flows to Florida Bay.

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

Nonmajor Governmental Funds

Capital Projects Funds

Capital Projects Funds are maintained to account for financial resources to be used for the purchase of real property and the acquisition or construction of major capital facilities.

District Fund

Accounts for capital expenditures on projects associated with District-wide functions. Revenue is provided through operating transfers from the General Fund.

Okeechobee Basin Fund

Accounts for capital expenditures incurred towards projects benefiting all or part of a 15-county area designated as the Okeechobee Basin. Revenue is provided through operating transfers from the Okeechobee Basin Special Revenue Fund.

Big Cypress Basin Fund

Accounts for capital expenditures incurred towards projects benefiting the Big Cypress Basin. Revenue is provided through operating transfers from the Big Cypress Basin Special Revenue Fund.

Save Our Rivers Fund

Accounts for revenues received from annual allocations through the State's Florida Forever Trust Fund, and related expenditures incurred for the purchase of environmentally sensitive lands.

State Appropriations Fund

Accounts for capital expenditures incurred towards various projects utilizing state sources. Revenue is provided through operating transfers from the State Appropriations Special Revenue Fund.

Federal Emergency Management Agency Fund

Accounts for revenues provided by the Department of Homeland Security to fund related capital project expenditures.

Florida Bay Fund

Accounts for capital expenditures associated with restoring a more natural quantity, distribution, and timing of water flows to Florida Bay.

Wetland Mitigation Fund

Accounts for revenues provided by private and other governmental contributions as part of the required permit to fund capital expenditures incurred to create new wetlands or improve alternative existing wetlands due to the destruction of designated wetlands. Revenues are also provided by interest earnings on unspent fund balances.

Comprehensive Everglades Restoration Plan (CERP) Fund

Accounts for capital expenditures associated with projects included in the Central and Southern Florida (C&SF) Restudy and which form the basis of the CERP. These projects are designed to increase the availability of water supplies for consumptive use or cost share with the federal government on regional projects intended to mitigate consequences that are an outgrowth of the original C&SF Flood Control Project. Funding is provided by transfers from the General Fund and Okeechobee Basin Special Revenue Fund.

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

Nonmajor Governmental Funds

Capital Projects Funds (continued)

Federal Land Acquisition Fund

Accounts for grant revenues received from the federal government in support of expenditures relating to the purchase of environmentally sensitive lands.

Comprehensive Everglades Restoration Plan (CERP) – Other Creditable Funds Fund

Accounts for revenues received from and expenditures funded through various sources for the Comprehensive Everglades Restoration Plan, excluding revenues and expenditures from federal sources, district ad-valorem property tax sources, and the state's Save Our Everglades Trust Fund.

COPS Everglades Forever Fund

Accounts for capital expenditures to support the construction of projects in the Everglades/Long Term Plan Implementation program with resources from issuance of Certificates of Participation.

COPS – Comprehensive Everglades Restoration Plan (CERP) Fund

Accounts for revenues from Certificates of Participation issued to support the accelerated construction of projects in the Comprehensive Everglades Restoration Plan.

Lake Belt Mitigation Fund

Accounts for revenues received pursuant to Chapter 373.41492, Florida Statutes, which requires mitigation from impacts resulting from rock mining in the Lake Belt area of Miami-Dade County, and related capital expenditures incurred towards the acquisition, restoration and management of environmentally sensitive lands.

Lake Okeechobee Fund

Accounts for revenues provided by the State of Florida through the Department of Environmental Protection towards capital restoration projects associated with Lake Okeechobee.

Permanent Fund

The Permanent Fund is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the District's programs.

Wetland Mitigation Fund

Accounts for the long-term maintenance portion of fees collected from private businesses and other governmental agencies as a condition for issuing wetlands mitigation permits. Interest earned on these fees is used to pay for the costs associated with long-term maintenance of lands purchased pursuant to the District's wetlands mitigation program.

**South Florida Water Management District
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2015**

	Special Revenue Funds			
	Big Cypress Basin	Save Our Rivers	State Appropriations	Invasive Aquatic Plant Control
ASSETS				
Cash and Investments	\$ 10,763,570	\$ -	\$ 9,173,689	\$ -
Cash Held by Trustee	-	-	-	-
Accounts Receivable	9,820	142,046	-	-
Due from Other Governments	90,284	2,520,425	-	220,807
Due from Other Funds	-	-	1,853	-
Inventory	293,432	-	-	-
Other Assets	-	-	-	-
Total Assets	\$ 11,157,106	\$ 2,662,471	\$ 9,175,542	\$ 220,807
LIABILITIES, DEFERRED INFLOWS OF RESOURCES & FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 529,383	\$ 1,059,164	\$ 963,349	\$ 164,139
Due to Other Governments	184,878	-	-	-
Due to Other Funds	-	713,225	-	11,546
Unearned Revenue	-	1,000,000	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	1,971,042	-	13,002
Total Liabilities & Deferred Inflows of Resources	714,261	4,743,431	963,349	188,687
FUND BALANCES				
Nonspendable	293,432	-	-	-
Restricted	10,149,413	-	8,212,193	32,120
Assigned	-	-	-	-
Unassigned	-	(2,080,960)	-	-
Total Fund Balances	10,442,845	(2,080,960)	8,212,193	32,120
Total Liabilities, Deferred Inflows of Resources & Fund Balances	\$ 11,157,106	\$ 2,662,471	\$ 9,175,542	\$ 220,807

Continued

**South Florida Water Management District
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2015**

	Special Revenue Funds (Continued)			
	Upland Invasive Plant Control	Wetland Mitigation	Indian River Lagoon Restoration	Federal Land Management
ASSETS				
Cash and Investments	\$ -	\$ 20,902,226	\$ 375,390	\$ 4,783,823
Cash Held by Trustee	-	-	-	-
Accounts Receivable	-	21,170	379	-
Due from Other Governments	75,181	-	-	-
Due from Other Funds	-	-	-	-
Inventory	-	-	-	-
Other Assets	-	-	-	-
Total Assets	\$ 75,181	\$ 20,923,396	\$ 375,769	\$ 4,783,823
LIABILITIES, DEFERRED INFLOWS OF RESOURCES & FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 207,583	\$ 74,250	\$ -	\$ 223,047
Due to Other Governments	-	-	-	-
Due to Other Funds	159,980	-	-	-
Unearned Revenue	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
Total Liabilities & Deferred Inflows of Resources	367,563	74,250	-	223,047
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	20,849,146	375,769	4,560,776
Assigned	-	-	-	-
Unassigned	(292,382)	-	-	-
Total Fund Balances	(292,382)	20,849,146	375,769	4,560,776
Total Liabilities, Deferred Inflows of Resources & Fund Balances	\$ 75,181	\$ 20,923,396	\$ 375,769	\$ 4,783,823

**South Florida Water Management District
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2015**

Special Revenue Funds (Continued)				
	External Grants	Everglades License Plate	Lake Okeechobee	Save Our Everglades
ASSETS				
Cash and Investments	\$ -	\$ 700,855	\$ 2,166,753	\$ 1,489,275
Cash Held by Trustee	-	-	-	-
Accounts Receivable	-	1,139	-	95,576
Due from Other Governments	235,874	-	-	1,484,793
Due from Other Funds	-	-	-	-
Inventory	-	-	-	-
Other Assets	-	-	-	-
Total Assets	\$ 235,874	\$ 701,994	\$ 2,166,753	\$ 3,069,644
LIABILITIES, DEFERRED INFLOWS OF RESOURCES & FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 311,668	\$ -	\$ 44,308	\$ 1,999,529
Due to Other Governments	-	-	-	-
Due to Other Funds	814,218	-	-	-
Unearned Revenue	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	235,874	-	-	1,367,412
Total Liabilities & Deferred Inflows of Resources	1,361,760	-	44,308	3,366,941
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	701,994	2,122,445	-
Assigned	-	-	-	-
Unassigned	(1,125,886)	-	-	(297,297)
Total Fund Balances	(1,125,886)	701,994	2,122,445	(297,297)
Total Liabilities, Deferred Inflows of Resources & Fund Balances	\$ 235,874	\$ 701,994	\$ 2,166,753	\$ 3,069,644

Continued

**South Florida Water Management District
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2015**

Special Revenue Funds (Concluded)				
	Land Acquisition Trust	Federal Emergency Management Agency	Florida Bay	Total
ASSETS				
Cash and Investments	\$ 6,865,538	\$ 3,540	\$ 961,795	\$ 58,186,454
Cash Held by Trustee	-	-	-	-
Accounts Receivable	-	-	589	270,719
Due from Other Governments	-	710	-	4,628,074
Due from Other Funds	-	-	-	1,853
Inventory	-	-	-	293,432
Other Assets	-	-	-	-
Total Assets	\$ 6,865,538	\$ 4,250	\$ 962,384	\$ 63,380,532
LIABILITIES, DEFERRED INFLOWS OF RESOURCES & FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ 118,988	\$ 5,695,408
Due to Other Governments	-	-	-	184,878
Due to Other Funds	-	-	-	1,698,969
Unearned Revenue	-	-	-	1,000,000
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	3,587,330
Total Liabilities & Deferred Inflows of Resources	-	-	118,988	12,166,585
FUND BALANCES				
Nonspendable	-	-	-	293,432
Restricted	6,865,538	-	843,396	54,712,790
Assigned	-	4,250	-	4,250
Unassigned	-	-	-	(3,796,525)
Total Fund Balances	6,865,538	4,250	843,396	51,213,947
Total Liabilities, Deferred Inflows of Resources & Fund Balances	\$ 6,865,538	\$ 4,250	\$ 962,384	\$ 63,380,532

**South Florida Water Management District
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2015**

Capital Projects Funds

	District	Okeechobee Basin	Big Cypress Basin	Save Our Rivers
ASSETS				
Cash and Investments	\$ 15,330,597	\$ 29,604,169	\$ 8,690,485	\$ 9,302,916
Cash Held by Trustee	10,642,924	-	-	-
Accounts Receivable	19,360	1,188	7,589	9,463
Due from Other Governments	5,368	-	-	344,954
Due from Other Funds	-	-	-	713,225
Inventory	-	-	-	-
Other Assets	75,000	375	-	-
Total Assets	<u>\$ 26,073,249</u>	<u>\$ 29,605,732</u>	<u>\$ 8,698,074</u>	<u>\$ 10,370,558</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES & FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 564,252	\$ 7,152,945	\$ 1,207,871	\$ -
Due to Other Governments	-	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenue	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	344,954
Total Liabilities & Deferred Inflows of Resources	<u>564,252</u>	<u>7,152,945</u>	<u>1,207,871</u>	<u>344,954</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	10,642,924	22,452,787	7,490,203	10,025,604
Assigned	14,866,073	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>25,508,997</u>	<u>22,452,787</u>	<u>7,490,203</u>	<u>10,025,604</u>
Total Liabilities, Deferred Inflows of Resources & Fund Balances	<u>\$ 26,073,249</u>	<u>\$ 29,605,732</u>	<u>\$ 8,698,074</u>	<u>\$ 10,370,558</u>

Continued

**South Florida Water Management District
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2015**

	Capital Projects Funds (Continued)			
	State Appropriations	Federal Emergency Management Agency	Florida Bay	Wetland Mitigation
ASSETS				
Cash and Investments	\$ 89,741	\$ 19	\$ 8,686,923	\$ 9,179,092
Cash Held by Trustee	-	-	-	-
Accounts Receivable	-	-	9,247	9,277
Due from Other Governments	-	-	-	-
Due from Other Funds	-	-	-	-
Inventory	-	-	-	-
Other Assets	-	-	-	-
Total Assets	\$ 89,741	\$ 19	\$ 8,696,170	\$ 9,188,369
LIABILITIES, DEFERRED INFLOWS OF RESOURCES & FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 41,644	\$ -	\$ -	\$ -
Due to Other Governments	-	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenue	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
Total Liabilities & Deferred Inflows of Resources	41,644	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	48,097	-	8,696,170	4,905,682
Assigned	-	19	-	4,282,687
Unassigned	-	-	-	-
Total Fund Balances	48,097	19	8,696,170	9,188,369
Total Liabilities, Deferred Inflows of Resources & Fund Balances	\$ 89,741	\$ 19	\$ 8,696,170	\$ 9,188,369

Continued

**South Florida Water Management District
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2015**

	Capital Project Funds (Continued)			
	Comprehensive Everglades Restoration Plan (CERP)	Federal Land Acquisition	Comprehensive Everglades Restoration Plan Other Creditable	COPS Everglades Forever
ASSETS				
Cash and Investments	\$ 3,247,785	\$ 3,932,715	\$ 4,272,561	\$ -
Cash Held by Trustee	-	-	-	8,800,845
Accounts Receivable	-	-	-	-
Due from Other Governments	-	-	-	-
Due from Other Funds	-	-	-	-
Inventory	-	-	-	-
Other Assets	-	-	-	-
Total Assets	\$ 3,247,785	\$ 3,932,715	\$ 4,272,561	\$ 8,800,845
LIABILITIES, DEFERRED INFLOWS OF RESOURCES & FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 152,473	\$ -	\$ 24,412	\$ 2,886,652
Due to Other Governments	-	-	-	-
Due to Other Funds	-	-	-	4,741,847
Unearned Revenue	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	-
Total Liabilities & Deferred Inflows of Resources	152,473	-	24,412	7,628,499
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	3,932,715	-	1,172,346
Assigned	3,095,312	-	4,248,149	-
Unassigned	-	-	-	-
Total Fund Balances	3,095,312	3,932,715	4,248,149	1,172,346
Total Liabilities, Deferred Inflows of Resources & Fund Balances	\$ 3,247,785	\$ 3,932,715	\$ 4,272,561	\$ 8,800,845

Continued

**South Florida Water Management District
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2015**

	Capital Project Funds (Concluded)			
	COPS Comprehensive Everglades Restoration	Lake Belt Mitigation	Lake Okeechobee	Total
ASSETS				
Cash and Investments	\$ 115	\$ 473,228	\$ -	\$ 92,810,346
Cash Held by Trustee	82,326	-	-	19,526,095
Accounts Receivable	-	550	-	56,674
Due from Other Governments	-	-	-	350,322
Due from Other Funds	-	-	-	713,225
Inventory	-	-	-	-
Other Assets	-	-	-	75,375
Total Assets	\$ 82,441	\$ 473,778	\$ -	\$ 113,532,037
LIABILITIES, DEFERRED INFLOWS OF RESOURCES & FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ -	\$ 2,401	\$ -	\$ 12,032,650
Due to Other Governments	-	-	-	-
Due to Other Funds	-	-	1,853	4,743,700
Unearned Revenue	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	-	344,954
Total Liabilities & Deferred Inflows of Resources	-	2,401	1,853	17,121,304
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	82,441	471,377	-	69,920,346
Assigned	-	-	-	26,492,240
Unassigned	-	-	(1,853)	(1,853)
Total Fund Balances	82,441	471,377	(1,853)	96,410,733
Total Liabilities, Deferred Inflows of Resources & Fund Balances	\$ 82,441	\$ 473,778	\$ -	\$ 113,532,037

Continued

**South Florida Water Management District
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2015**

	Permanent Fund	
	Wetland Mitigation	Total Nonmajor Governmental
ASSETS		
Cash and Investments	\$ 16,114,102	\$ 167,110,902
Cash Held by Trustee	-	19,526,095
Accounts Receivable	16,265	343,658
Due from Other Governments	-	4,978,396
Due from Other Funds	-	715,078
Inventory	-	293,432
Other Assets	-	75,375
Total Assets	\$ 16,130,367	\$ 193,042,936
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES & FUND BALANCES		
LIABILITIES		
Accounts Payable	\$ -	\$ 17,728,058
Due to Other Governments	-	184,878
Due to Other Funds	-	6,442,669
Unearned Revenue	-	1,000,000
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue	-	3,932,284
Total Liabilities & Deferred Inflows of Resources	-	29,287,889
 FUND BALANCES		
Nonspendable	15,650,188	15,943,620
Restricted	480,179	125,113,315
Assigned	-	26,496,490
Unassigned	-	(3,798,378)
Total Fund Balances	16,130,367	163,755,047
Total Liabilities, Deferred Inflows of Resources & Fund Balances	\$ 16,130,367	\$ 193,042,936

South Florida Water Management District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
September 30, 2015

	Special Revenue Funds			
	Big Cypress Basin	Save Our Rivers	State Appropriations	Invasive Aquatic Plant Control
REVENUES				
Ad Valorem Property Taxes	\$ 9,460,261	\$ -	\$ -	\$ -
Intergovernmental	-	824,353	12,270,982	2,132,212
Investment Earnings	170,571	-	-	-
Licenses, Permits and Fees	10,725	-	-	-
Sale of District Property	91,007	32,600	-	-
Leases	64,798	820,196	-	-
Other	2,413	491	-	2,888
Total Revenues	9,799,775	1,677,640	12,270,982	2,135,100
EXPENDITURES				
Current Operating				
Land Stewardship	160,005	522,450	-	-
Mission Support	234,708	-	-	-
Modeling and Scientific Support	-	-	-	-
Operations and Maintenance	2,975,635	3,006,729	24,489	2,135,100
Regulation	18,838	-	-	-
Restoration	3,750,639	1,481	5,110,684	-
Water Supply	1,319,528	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Bond Principal Retirement	-	6,400,000	-	-
Bond Interest	-	474,200	-	-
COPS Bond Principal Retirement	-	-	-	-
COPS Bond Interest	-	-	-	-
Total Expenditures	8,459,353	10,404,860	5,135,173	2,135,100
Revenues in Excess of (Less than) Expenditures	1,340,422	(8,727,220)	7,135,809	-
OTHER FINANCING SOURCES (USES)				
Transfers In	356,818	-	-	-
Transfers Out	(1,580,000)	(81,756)	(898,399)	-
Total Other Financing Sources (Uses)	(1,223,182)	(81,756)	(898,399)	-
Net Change in Fund Balances	117,240	(8,808,976)	6,237,410	-
Fund Balances (Deficits) at Beginning of Year	10,325,605	6,728,016	1,974,783	32,120
Fund Balances (Deficits) at End of Year	\$ 10,442,845	(\$ 2,080,960)	\$ 8,212,193	\$ 32,120

Continued

South Florida Water Management District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
September 30, 2015

	Special Revenue Funds			
	Upland Invasive Plant Control	Wetland Mitigation	Indian River Lagoon Restoration	Federal Land Management
REVENUES				
Ad Valorem Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,409,176	-	88,423	-
Investment Earnings	-	296,438	5,124	2,035
Licenses, Permits and Fees	-	2,637,359	-	-
Sale of District Property	-	-	-	-
Leases	-	-	-	1,517,696
Other	14,523	4,989	-	-
Total Revenues	3,423,699	2,938,786	93,547	1,519,731
EXPENDITURES				
Current Operating				
Land Stewardship	3,716,081	1,285,995	-	466,205
Mission Support	-	-	-	-
Modeling and Scientific Support	-	-	-	-
Operations and Maintenance	-	9,766	-	-
Regulation	-	17,571	-	-
Restoration	-	137,351	4,301	-
Water Supply	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Bond Principal Retirement	-	-	-	-
Bond Interest	-	-	-	-
COPS Bond Principal Retirement	-	-	-	-
COPS Bond Interest	-	-	-	-
Total Expenditures	3,716,081	1,450,683	4,301	466,205
Revenues in Excess of (Less than) Expenditures	(292,382)	1,488,103	89,246	1,053,526
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(292,382)	1,488,103	89,246	1,053,526
Fund Balances (Deficits) at Beginning of Year	-	19,361,043	286,523	3,507,250
Fund Balances (Deficits) at End of Year	(\$ 292,382)	\$ 20,849,146	\$ 375,769	\$ 4,560,776

South Florida Water Management District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
September 30, 2015

	Special Revenue Funds (Continued)			
	External Grants	Everglades License Plate	Lake Okeechobee	Save Our Everglades
REVENUES				
Ad Valorem Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	98,806	246,142	-	1,579,258
Investment Earnings	-	8,048	-	5,620
Licenses, Permits and Fees	-	-	-	-
Sale of District Property	-	-	-	-
Leases	-	-	-	633,478
Other	264,908	-	-	-
Total Revenues	363,714	254,190	-	2,218,356
EXPENDITURES				
Current Operating				
Land Stewardship	-	-	-	915,254
Mission Support	-	-	-	-
Modeling and Scientific Support	-	-	-	-
Operations and Maintenance	-	-	-	-
Regulation	-	-	-	-
Restoration	1,328,039	30,000	547,906	3,682,636
Water Supply	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Bond Principal Retirement	-	-	-	-
Bond Interest	-	-	-	-
COPS Bond Principal Retirement	-	-	-	-
COPS Bond Interest	-	-	-	-
Total Expenditures	1,328,039	30,000	547,906	4,597,890
Revenues in Excess of (Less than) Expenditures	(964,325)	224,190	(547,906)	(2,379,534)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	420,298	4,716
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	420,298	4,716
Net Change in Fund Balances	(964,325)	224,190	(127,608)	(2,374,818)
Fund Balances (Deficits) at Beginning of Year	(161,561)	477,804	2,250,053	2,077,521
Fund Balances (Deficits) at End of Year	<u>(\$ 1,125,886)</u>	<u>\$ 701,994</u>	<u>\$ 2,122,445</u>	<u>(\$ 297,297)</u>

Continued

South Florida Water Management District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
September 30, 2015

	Special Revenue Funds (Concluded)			
	Land Acquisition Trust Fund	Federal Emergency Management Agency	Florida Bay	Total
REVENUES				
Ad Valorem Property Taxes	\$ -	\$ -	\$ -	\$ 9,460,261
Intergovernmental	6,865,538	710	1,001,020	28,516,620
Investment Earnings	-	-	7,378	495,214
Licenses, Permits and Fees	-	-	-	2,648,084
Sale of District Property	-	-	-	123,607
Leases	-	-	-	3,036,168
Other	-	-	-	290,212
Total Revenues	6,865,538	710	1,008,398	44,570,166
EXPENDITURES				
Current Operating				
Land Stewardship	-	-	-	7,065,990
Mission Support	-	-	-	234,708
Modeling and Scientific Support	-	-	85,000	85,000
Operations and Maintenance	-	-	-	8,151,719
Regulation	-	-	-	36,409
Restoration	-	710	1,500,919	16,094,666
Water Supply	-	-	-	1,319,528
Capital Outlay	-	-	-	-
Debt Service				
Bond Principal Retirement	-	-	-	6,400,000
Bond Interest	-	-	-	474,200
COPS Bond Principal Retirement	-	-	-	-
COPS Bond Interest	-	-	-	-
Total Expenditures	-	710	1,585,919	39,862,220
Revenues in Excess of (Less than) Expenditures	6,865,538	-	(577,521)	4,707,946
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	473,887	1,255,719
Transfers Out	-	(8,570)	-	(2,568,725)
Total Other Financing Sources (Uses)	-	(8,570)	473,887	(1,313,006)
Net Change in Fund Balances	6,865,538	(8,570)	(103,634)	3,394,940
Fund Balances (Deficits) at Beginning of Year	-	12,820	947,030	47,819,007
Fund Balances (Deficits) at End of Year	\$ 6,865,538	\$ 4,250	\$ 843,396	\$ 51,213,947

South Florida Water Management District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
September 30, 2015

	Capital Projects Funds			
	District	Okeechobee Basin	Big Cypress Basin	Save Our Rivers
REVENUES				
Ad Valorem Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	5,368	97,985	-	16,984,718
Investment Earnings	221,437	147,920	130,360	77,387
Licenses, Permits and Fees	-	-	-	-
Sale of District Property	909	780,722	104	2,488,800
Leases	-	-	-	-
Other	1,292	215,524	-	-
	<u>229,006</u>	<u>1,242,151</u>	<u>130,464</u>	<u>19,550,905</u>
EXPENDITURES				
Current Operating				
Land Stewardship	-	-	-	-
Mission Support	-	-	-	-
Modeling and Scientific Support	-	-	-	-
Operations and Maintenance	-	-	-	-
Regulation	-	-	-	-
Restoration	-	-	-	-
Water Supply	-	-	-	-
Capital Outlay	4,700,636	25,297,162	4,092,568	21,671,110
Debt Service				
Bond Principal Retirement	-	-	-	-
Bond Interest	-	-	-	-
COPS Bond Principal Retirement	5,189,322	-	-	-
COPS Bond Interest	10,536,087	-	-	-
	<u>20,426,045</u>	<u>25,297,162</u>	<u>4,092,568</u>	<u>21,671,110</u>
Revenues in Excess of (Less than) Expenditures	(20,197,039)	(24,055,011)	(3,962,104)	(2,120,205)
OTHER FINANCING SOURCES (USES)				
Transfers In	23,538,483	32,784,377	1,580,000	81,756
Transfers Out	(2,539,424)	(3,129,328)	(356,818)	-
	<u>20,999,059</u>	<u>29,655,049</u>	<u>1,223,182</u>	<u>81,756</u>
Net Change in Fund Balances	802,020	5,600,038	(2,738,922)	(2,038,449)
Fund Balances (Deficits) at Beginning of Year	24,706,977	16,852,749	10,229,125	12,064,053
Fund Balances (Deficits) at End of Year	<u>\$ 25,508,997</u>	<u>\$ 22,452,787</u>	<u>\$ 7,490,203</u>	<u>\$ 10,025,604</u>

Continued

South Florida Water Management District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
September 30, 2015

	Capital Projects Funds (Continued)			
	State Appropriations	Federal Emergency Management Agency	Florida Bay	Wetland Mitigation
REVENUES				
Ad Valorem Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	999,700	-	6,600,000	-
Investment Earnings	-	-	59,386	132,687
Licenses, Permits and Fees	-	-	-	-
Sale of District Property	-	-	-	-
Leases	-	-	-	-
Other	-	-	-	-
Total Revenues	999,700	-	6,659,386	132,687
EXPENDITURES				
Current Operating				
Land Stewardship	-	-	-	-
Mission Support	-	-	-	-
Modeling and Scientific Support	-	-	-	-
Operations and Maintenance	-	-	-	-
Regulation	-	-	-	-
Restoration	-	-	-	-
Water Supply	-	-	-	-
Capital Outlay	1,347,068	-	10,473	1,432
Debt Service				
Bond Principal Retirement	-	-	-	-
Bond Interest	-	-	-	-
COPS Bond Principal Retirement	-	-	-	-
COPS Bond Interest	-	-	-	-
Total Expenditures	1,347,068	-	10,473	1,432
Revenues in Excess of (Less than) Expenditures	(347,368)	-	6,648,913	131,255
OTHER FINANCING SOURCES (USES)				
Transfers In	395,465	-	-	-
Transfers Out	-	(114,898)	(473,887)	-
Total Other Financing Sources (Uses)	395,465	(114,898)	(473,887)	-
Net Change in Fund Balances	48,097	(114,898)	6,175,026	131,255
Fund Balances (Deficits) at Beginning of Year	-	114,917	2,521,144	9,057,114
Fund Balances (Deficits) at End of Year	\$ 48,097	\$ 19	\$ 8,696,170	\$ 9,188,369

Continued

South Florida Water Management District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
September 30, 2015

	Capital Projects Funds (Continued)			
	COPS Comprehensive Restoration Plan (CERP)	Federal Land Acquisition	Comprehensive Everglades Restoration Plan Other Creditable	COPS Everglades Forever
REVENUES				
Ad Valorem Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Investment Earnings	-	-	-	195,177
Licenses, Permits and Fees	-	-	-	-
Sale of District Property	263	-	-	24
Leases	-	-	-	-
Other	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	263	-	-	195,201
EXPENDITURES				
Current Operating				
Land Stewardship	-	-	-	-
Mission Support	-	-	-	-
Modeling and Scientific Support	-	-	-	-
Operations and Maintenance	-	-	-	-
Regulation	-	-	-	-
Restoration	-	-	-	-
Water Supply	-	-	-	-
Capital Outlay	77,808	-	3,909	23,553,472
Debt Service				
Bond Principal Retirement	-	-	-	-
Bond Interest	-	-	-	-
COPS Bond Principal Retirement	-	-	-	-
COPS Bond Interest	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	77,808	-	3,909	23,553,472
Revenues in Excess of (Less than) Expenditures	(77,545)	-	(3,909)	(23,358,271)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	13,895,131
Transfers Out	(1,119,826)	-	(63,477)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Financing Sources (Uses)	(1,119,826)	-	(63,477)	13,895,131
Net Change in Fund Balances	(1,197,371)	-	(67,386)	(9,463,140)
Fund Balances (Deficits) at Beginning of Year	4,292,683	3,932,715	4,315,535	10,635,486
Fund Balances (Deficits) at End of Year	<u>\$ 3,095,312</u>	<u>\$ 3,932,715</u>	<u>\$ 4,248,149</u>	<u>\$ 1,172,346</u>

Continued

South Florida Water Management District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
September 30, 2015

	Capital Projects Funds (Concluded)			
	COPS Comprehensive Everglades Restoration	Lake Belt Mitigation	Lake Okeechobee	Total
REVENUES				
Ad Valorem Property Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	24,687,771
Investment Earnings	-	9,535	-	973,889
Licenses, Permits and Fees	-	-	-	-
Sale of District Property	115	-	-	3,270,937
Leases	-	-	-	-
Other	-	-	-	216,816
Total Revenues	115	9,535	-	29,149,413
EXPENDITURES				
Current Operating				
Land Stewardship	-	-	-	-
Mission Support	-	-	-	-
Modeling and Scientific Support	-	-	-	-
Operations and Maintenance	-	-	-	-
Regulation	-	-	-	-
Restoration	-	-	-	-
Water Supply	-	-	-	-
Capital Outlay	-	299,306	91,475	81,146,419
Debt Service				
Bond Principal Retirement	-	-	-	-
Bond Interest	-	-	-	-
COPS Bond Principal Retirement	-	-	-	5,189,322
COPS Bond Interest	-	-	-	10,536,087
Total Expenditures	-	299,306	91,475	96,871,828
Revenues in Excess of (Less than) Expenditures	115	(289,771)	(91,475)	(67,722,415)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	87,117	82,636	72,444,965
Transfers Out	(13,895,131)	-	-	(21,692,789)
Total Other Financing Sources (Uses)	(13,895,131)	87,117	82,636	50,752,176
Net Change in Fund Balances	(13,895,016)	(202,654)	(8,839)	(16,970,239)
Fund Balances (Deficits) at Beginning of Year	13,977,457	674,031	6,986	113,380,972
Fund Balances (Deficits) at End of Year	<u>\$ 82,441</u>	<u>\$ 471,377</u>	<u>(\$ 1,853)</u>	<u>\$ 96,410,733</u>

Continued

South Florida Water Management District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
September 30, 2015

	<u>Permanent Fund</u>	
	Wetland Mitigation	Total Nonmajor Governmental Funds
REVENUES		
Ad Valorem Property Taxes	\$ -	\$ 9,460,261
Intergovernmental	-	53,204,391
Investment Earnings	225,035	1,694,138
Licenses, Permits and Fees	683,090	3,331,174
Sale of District Property	-	3,394,544
Leases	-	3,036,168
Other	-	507,028
	<hr/>	<hr/>
Total Revenues	908,125	74,627,704
EXPENDITURES		
Current Operating		
Land Stewardship	-	7,065,990
Mission Support	-	234,708
Modeling and Scientific Support	-	85,000
Operations and Maintenance	-	8,151,719
Regulation	-	36,409
Restoration	-	16,094,666
Water Supply	-	1,319,528
Capital Outlay	-	81,146,419
Debt Service		
Bond Principal Retirement	-	6,400,000
Bond Interest	-	474,200
COPS Bond Principal Retirement	-	5,189,322
COPS Bond Interest	-	10,536,087
	<hr/>	<hr/>
Total Expenditures	-	136,734,048
Revenues in Excess of (Less than) Expenditures	908,125	(62,106,344)
OTHER FINANCING SOURCES (USES)		
Transfers In	21,660	73,722,344
Transfers Out	-	(24,261,514)
	<hr/>	<hr/>
Total Other Financing Sources (Uses)	21,660	49,460,830
Net Change in Fund Balances	929,785	(12,645,514)
Fund Balances (Deficits) at Beginning of Year	15,200,582	176,400,561
Fund Balances (Deficits) at End of Year	<u>\$ 16,130,367</u>	<u>\$ 163,755,047</u>



This Page has been Intentionally Left Blank

**South Florida Water Management District
Special Revenue Fund
Big Cypress Basin
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Ad Valorem Property Taxes	\$ 9,393,146	\$ 9,460,261	\$ 67,115
Intergovernmental	123,920	-	(123,920)
Investment Earnings	150,000	170,571	20,571
Licenses, Permits and Fees	8,000	10,725	2,725
Sale of District Property	-	91,007	91,007
Leases	64,664	64,798	134
Other	1,500	2,413	913
Total Revenues	<u>9,741,230</u>	<u>9,799,775</u>	<u>58,545</u>
EXPENDITURES			
Administrative Services and Executive Offices			
Mission Support	366,735	234,708	132,027
Operations and Maintenance	265,878	55,394	210,484
Regulation	18,962	18,838	124
Restoration	4,864,339	3,007,824	1,856,515
Water Supply	1,338,445	1,319,528	18,917
Total Administrative Services and Executive Offices	<u>6,854,359</u>	<u>4,636,292</u>	<u>2,218,067</u>
Operations, Maintenance, and Construction			
Land Stewardship	174,685	160,005	14,680
Operations and Maintenance	4,080,408	2,920,241	1,160,167
Restoration	699,739	630,094	69,645
Total Operations, Maintenance, and Construction	<u>4,954,832</u>	<u>3,710,340</u>	<u>1,244,492</u>
Water Resources			
Restoration	197,558	112,721	84,837
Total Water Resources	<u>197,558</u>	<u>112,721</u>	<u>84,837</u>
Contingency			
Managerial Reserve	864,456	-	864,456
Managerial Reserve-Contingency	760,401	-	760,401
Total Contingency	<u>1,624,857</u>	<u>-</u>	<u>1,624,857</u>
Total Expenditures	<u>13,631,606</u>	<u>8,459,353</u>	<u>5,172,253</u>
Revenues in Excess of (Less than) Expenditures	<u>(3,890,376)</u>	<u>1,340,422</u>	<u>5,230,798</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	356,818	356,818	-
Transfers Out	(1,580,000)	(1,580,000)	-
Total Other Financing Sources (Uses)	<u>(1,223,182)</u>	<u>(1,223,182)</u>	<u>-</u>
Net Change in Fund Balance	(5,113,558)	117,240	5,230,798
Fund Balance at Beginning of Year	10,325,605	10,325,605	-
Fund Balance at End of Year	<u>\$ 5,212,047</u>	<u>\$ 10,442,845</u>	<u>\$ 5,230,798</u>

**South Florida Water Management District
Special Revenue Fund
Save Our Rivers
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ 10,776,097	\$ 824,353	(\$ 9,951,744)
Sale of District Property	-	32,600	32,600
Leases	758,586	820,196	61,610
Other	-	491	491
Total Revenues	11,534,683	1,677,640	(9,857,043)
EXPENDITURES			
Administrative Services and Executive Offices			
Land Stewardship	198,519	198,031	488
Restoration	5,029	1,481	3,548
Total Administrative Services and Executive Offices	203,548	199,512	4,036
Operations, Maintenance, and Construction			
Land Stewardship	447,770	324,419	123,351
Operations and Maintenance	3,874,123	3,006,729	867,394
Total Operations, Maintenance, and Construction	4,321,893	3,331,148	990,745
Debt Service			
Bond Principal Retirement	6,400,000	6,400,000	-
Bond Interest	474,200	474,200	-
Total Debt Service	6,874,200	6,874,200	-
Contingency			
Managerial Reserve	98,427	-	98,427
Total Contingency	98,427	-	98,427
Total Expenditures	11,498,068	10,404,860	1,093,208
Revenues in Excess of (Less than) Expenditures	36,615	(8,727,220)	(8,763,835)
OTHER FINANCING SOURCES (USES)			
Transfers Out	(81,756)	(81,756)	-
Total Other Financing Sources (Uses)	(81,756)	(81,756)	-
Net Change in Fund Balance	(45,141)	(8,808,976)	(8,763,835)
Fund Balance at Beginning of Year	6,728,016	6,728,016	-
Fund Balance at End of Year	\$ 6,682,875	(\$ 2,080,960)	(\$ 8,763,835)

**South Florida Water Management District
Special Revenue Fund
State Appropriations
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ 15,769,525	\$ 12,270,982	(\$ 3,498,543)
Total Revenues	<u>15,769,525</u>	<u>12,270,982</u>	<u>(3,498,543)</u>
EXPENDITURES			
Administrative Services and Executive Offices			
Restoration	10,900,597	5,110,684	5,789,913
Total Administrative Services and Executive Offices	<u>10,900,597</u>	<u>5,110,684</u>	<u>5,789,913</u>
Operations, Maintenance, and Construction			
Operations and Maintenance	2,434,400	24,489	2,409,911
Total Operations, Maintenance, and Construction	<u>2,434,400</u>	<u>24,489</u>	<u>2,409,911</u>
Contingency			
Managerial Reserve	3,500,000	-	3,500,000
Total Contingency	<u>3,500,000</u>	<u>-</u>	<u>3,500,000</u>
Total Expenditures	<u>16,834,997</u>	<u>5,135,173</u>	<u>11,699,824</u>
Revenues in Excess of (Less than) Expenditures	<u>(1,065,472)</u>	<u>7,135,809</u>	<u>8,201,281</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	(898,399)	(898,399)	-
Total Other Financing Sources (Uses)	<u>(898,399)</u>	<u>(898,399)</u>	<u>-</u>
Net Change in Fund Balance	(1,963,871)	6,237,410	8,201,281
Fund Balance at Beginning of Year	1,974,783	1,974,783	-
Fund Balance at End of Year	<u>\$ 10,912</u>	<u>\$ 8,212,193</u>	<u>\$ 8,201,281</u>

**South Florida Water Management District
Special Revenue Fund
Invasive Aquatic Plant Control
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ 5,000,000	\$ 2,132,212	(\$ 2,867,788)
Other	-	2,888	2,888
Total Revenues	<u>5,000,000</u>	<u>2,135,100</u>	<u>(2,864,900)</u>
EXPENDITURES			
Administrative Services and Executive Offices			
Operations and Maintenance	36,600	-	36,600
Total Administrative Services and Executive Offices	<u>36,600</u>	<u>-</u>	<u>36,600</u>
Operations, Maintenance, and Construction			
Operations and Maintenance	5,028,879	2,135,100	2,893,779
Total Operations, Maintenance, and Construction	<u>5,028,879</u>	<u>2,135,100</u>	<u>2,893,779</u>
Total Expenditures	<u>5,065,479</u>	<u>2,135,100</u>	<u>2,930,379</u>
Revenues in Excess of (Less than) Expenditures	<u>(65,479)</u>	<u>-</u>	<u>65,479</u>
Net Change in Fund Balance	<u>(65,479)</u>	<u>-</u>	<u>65,479</u>
Fund Balance at Beginning of Year	32,120	32,120	-
Fund Balance at End of Year	<u><u>(\$ 33,359)</u></u>	<u><u>\$ 32,120</u></u>	<u><u>\$ 65,479</u></u>

**South Florida Water Management District
Special Revenue Fund
Upland Invasive Plant Control
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ 3,725,000	\$ 3,409,176	(\$ 315,824)
Other	-	14,523	14,523
Total Revenues	<u>3,725,000</u>	<u>3,423,699</u>	<u>(301,301)</u>
EXPENDITURES			
Operations, Maintenance, and Construction			
Land Stewardship	3,725,000	3,716,081	8,919
Total Operations, Maintenance, and Construction	<u>3,725,000</u>	<u>3,716,081</u>	<u>8,919</u>
Total Expenditures	<u>3,725,000</u>	<u>3,716,081</u>	<u>8,919</u>
Revenues in Excess of (Less than) Expenditures	<u>-</u>	<u>(292,382)</u>	<u>(292,382)</u>
Net Change in Fund Balance	-	(292,382)	(292,382)
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>(\$ 292,382)</u>	<u>(\$ 292,382)</u>

**South Florida Water Management District
Special Revenue Fund
Wetland Mitigation
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Investment Earnings	\$ -	\$ 296,438	\$ 296,438
Licenses, Permits and Fees	-	2,637,359	2,637,359
Other	-	4,989	4,989
Total Revenues	<u>-</u>	<u>2,938,786</u>	<u>2,938,786</u>
EXPENDITURES			
Administrative Services and Executive Offices			
Land Stewardship	5,500	-	5,500
Total Administrative Services and Executive Offices	<u>5,500</u>	<u>-</u>	<u>5,500</u>
Operations, Maintenance, and Construction			
Land Stewardship	1,477,949	1,285,995	191,954
Operations and Maintenance	10,000	9,766	234
Restoration	178,726	137,351	41,375
Total Operations, Maintenance, and Construction	<u>1,666,675</u>	<u>1,433,112</u>	<u>233,563</u>
Regulation			
Regulation	20,812	17,571	3,241
Total Regulation	<u>20,812</u>	<u>17,571</u>	<u>3,241</u>
Contingency			
Managerial Reserve	531,705	-	531,705
Total Contingency	<u>531,705</u>	<u>-</u>	<u>531,705</u>
Total Expenditures	<u>2,224,692</u>	<u>1,450,683</u>	<u>774,009</u>
Revenues in Excess of (Less than) Expenditures	<u>(2,224,692)</u>	<u>1,488,103</u>	<u>3,712,795</u>
Net Change in Fund Balance	<u>(2,224,692)</u>	<u>1,488,103</u>	<u>3,712,795</u>
Fund Balance at Beginning of Year	19,361,043	19,361,043	-
Fund Balance at End of Year	<u>\$ 17,136,351</u>	<u>\$ 20,849,146</u>	<u>\$ 3,712,795</u>

**South Florida Water Management District
Special Revenue Fund
Indian River Lagoon Restoration
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ 95,000	\$ 88,423	(\$ 6,577)
Investment Earnings	-	5,124	5,124
Total Revenues	<u>95,000</u>	<u>93,547</u>	<u>(1,453)</u>
EXPENDITURES			
Administrative Services and Executive Offices			
Restoration	215,930	4,301	211,629
Total Administrative Services and Executive Offices	<u>215,930</u>	<u>4,301</u>	<u>211,629</u>
Contingency			
Managerial Reserve	34,634	-	34,634
Total Contingency	<u>34,634</u>	<u>-</u>	<u>34,634</u>
Total Expenditures	<u>250,564</u>	<u>4,301</u>	<u>246,263</u>
Revenues in Excess of (Less than) Expenditures	<u>(155,564)</u>	<u>89,246</u>	<u>244,810</u>
Net Change in Fund Balance	<u>(155,564)</u>	<u>89,246</u>	<u>244,810</u>
Fund Balance at Beginning of Year	286,523	286,523	-
Fund Balance at End of Year	<u><u>\$ 130,959</u></u>	<u><u>\$ 375,769</u></u>	<u><u>\$ 244,810</u></u>

**South Florida Water Management District
Special Revenue Fund
Federal Land Management
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Investment Earnings	\$ -	\$ 2,035	\$ 2,035
Leases	-	1,517,696	1,517,696
Total Revenues	<u>-</u>	<u>1,519,731</u>	<u>1,519,731</u>
EXPENDITURES			
Administrative Services and Executive Offices			
Land Stewardship	400	-	400
Total Administrative Services and Executive Offices	<u>400</u>	<u>-</u>	<u>400</u>
Operations, Maintenance, and Construction			
Land Stewardship	503,525	466,205	37,320
Total Operations, Maintenance, and Construction	<u>503,525</u>	<u>466,205</u>	<u>37,320</u>
Contingency			
Managerial Reserve	154,125	-	154,125
Total Contingency	<u>154,125</u>	<u>-</u>	<u>154,125</u>
Total Expenditures	<u>658,050</u>	<u>466,205</u>	<u>191,845</u>
Revenues in Excess of (Less than) Expenditures	(658,050)	1,053,526	1,711,576
Net Change in Fund Balance	<u>(658,050)</u>	<u>1,053,526</u>	<u>1,711,576</u>
Fund Balance at Beginning of Year	3,507,250	3,507,250	-
Fund Balance at End of Year	<u>\$ 2,849,200</u>	<u>\$ 4,560,776</u>	<u>\$ 1,711,576</u>

**South Florida Water Management District
Special Revenue Fund
External Grants
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ 3,550,386	\$ 98,806	(\$ 3,451,580)
Other	-	264,908	264,908
Total Revenues	<u>3,550,386</u>	<u>363,714</u>	<u>(3,186,672)</u>
EXPENDITURES			
Administrative Services and Executive Offices			
Restoration	2,519,957	1,164,253	1,355,704
Total Administrative Services and Executive Offices	<u>2,519,957</u>	<u>1,164,253</u>	<u>1,355,704</u>
Operations, Maintenance, and Construction			
Operations and Maintenance	497,398	-	497,398
Restoration	7,106	7,106	-
Total Operations, Maintenance, and Construction	<u>504,504</u>	<u>7,106</u>	<u>497,398</u>
Water Resources			
Restoration	279,000	156,680	122,320
Total Water Resources	<u>279,000</u>	<u>156,680</u>	<u>122,320</u>
Contingency			
Managerial Reserve	600,000	-	600,000
Total Contingency	<u>600,000</u>	<u>-</u>	<u>600,000</u>
Total Expenditures	<u>3,903,461</u>	<u>1,328,039</u>	<u>2,575,422</u>
Revenues in Excess of (Less than) Expenditures	<u>(353,075)</u>	<u>(964,325)</u>	<u>(611,250)</u>
Net Change in Fund Balance	<u>(353,075)</u>	<u>(964,325)</u>	<u>(611,250)</u>
Fund Balance at Beginning of Year	(161,561)	(161,561)	-
Fund Balance at End of Year	<u>(\$ 514,636)</u>	<u>(\$ 1,125,886)</u>	<u>(\$ 611,250)</u>

**South Florida Water Management District
Special Revenue Fund
Everglades License Plate
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ 200,000	\$ 246,142	\$ 46,142
Investment Earnings	-	8,048	8,048
Total Revenues	<u>200,000</u>	<u>254,190</u>	<u>54,190</u>
EXPENDITURES			
Water Resources			
Restoration	225,000	30,000	195,000
Total Water Resources	<u>225,000</u>	<u>30,000</u>	<u>195,000</u>
Total Expenditures	<u>225,000</u>	<u>30,000</u>	<u>195,000</u>
Revenues in Excess of (Less than) Expenditures	<u>(25,000)</u>	<u>224,190</u>	<u>249,190</u>
Net Change in Fund Balance	<u>(25,000)</u>	<u>224,190</u>	<u>249,190</u>
Fund Balance at Beginning of Year	477,804	477,804	-
Fund Balance at End of Year	<u>\$ 452,804</u>	<u>\$ 701,994</u>	<u>\$ 249,190</u>

**South Florida Water Management District
Special Revenue Fund
Lake Okeechobee
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
EXPENDITURES			
Administrative Services and Executive Offices			
Restoration	\$ 1,666,583	\$ 545,448	\$ 1,121,135
Total Administrative Services and Executive Offices	<u>1,666,583</u>	<u>545,448</u>	<u>1,121,135</u>
Operations, Maintenance, and Construction			
Restoration	15,968	2,458	13,510
Total Operations, Maintenance, and Construction	<u>15,968</u>	<u>2,458</u>	<u>13,510</u>
Contingency			
Managerial Reserve	757,180	-	757,180
Total Contingency	<u>757,180</u>	<u>-</u>	<u>757,180</u>
Total Expenditures	<u>2,439,731</u>	<u>547,906</u>	<u>1,891,825</u>
Revenues in Excess of (Less than) Expenditures	<u>(2,439,731)</u>	<u>(547,906)</u>	<u>1,891,825</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	421,161	420,298	(863)
Total Other Financing Sources (Uses)	<u>421,161</u>	<u>420,298</u>	<u>(863)</u>
Net Change in Fund Balance	<u>(2,018,570)</u>	<u>(127,608)</u>	<u>1,890,962</u>
Fund Balance at Beginning of Year	2,250,053	2,250,053	-
Fund Balance at End of Year	<u>\$ 231,483</u>	<u>\$ 2,122,445</u>	<u>\$ 1,890,962</u>

**South Florida Water Management District
Special Revenue Fund
Save Our Everglades
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ 13,103,645	\$ 1,579,258	(\$ 11,524,387)
Investment Earnings	-	5,620	5,620
Leases	540,221	633,478	93,257
Total Revenues	13,643,866	2,218,356	(11,425,510)
EXPENDITURES			
Administrative Services and Executive Offices			
Land Stewardship	536,245	498,497	37,748
Restoration	262,193	257,477	4,716
Total Administrative Services and Executive Offices	798,438	755,974	42,464
Operations, Maintenance, and Construction			
Land Stewardship	513,157	416,757	96,400
Restoration	8,831,246	3,425,159	5,406,087
Total Operations, Maintenance, and Construction	9,344,403	3,841,916	5,502,487
Contingency			
Managerial Reserve	5,998,361	-	5,998,361
Total Contingency	5,998,361	-	5,998,361
Total Expenditures	16,141,202	4,597,890	11,543,312
Revenues in Excess of (Less than) Expenditures	(2,497,336)	(2,379,534)	117,802
OTHER FINANCING SOURCES (USES)			
Transfers In	154,413	4,716	(149,697)
Total Other Financing Sources (Uses)	154,413	4,716	(149,697)
Net Change in Fund Balance	(2,342,923)	(2,374,818)	(31,895)
Fund Balance at Beginning of Year	2,077,521	2,077,521	-
Fund Balance at End of Year	(\$ 265,402)	(\$ 297,297)	(\$ 31,895)

**South Florida Water Management District
Special Revenue Fund
Land Acquisition Trust
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 6,865,538	\$ 6,865,538
Total Revenues	<u>-</u>	<u>6,865,538</u>	<u>6,865,538</u>
EXPENDITURES			
Revenues in Excess of (Less than) Expenditures	<u>-</u>	<u>6,865,538</u>	<u>6,865,538</u>
Net Change in Fund Balance	<u>-</u>	<u>6,865,538</u>	<u>6,865,538</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 6,865,538</u>	<u>\$ 6,865,538</u>

**South Florida Water Management District
Special Revenue Fund
Federal Emergency Management Agency
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 710	\$ 710
Total Revenues	<u>-</u>	<u>710</u>	<u>710</u>
EXPENDITURES			
Administrative Services and Executive Offices			
Restoration	960	710	250
Total Administrative Services and Executive Offices	<u>960</u>	<u>710</u>	<u>250</u>
Total Expenditures	<u>960</u>	<u>710</u>	<u>250</u>
Revenues in Excess of (Less than) Expenditures	<u>(960)</u>	<u>-</u>	<u>960</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	(8,570)	(8,570)	-
Total Other Financing Sources (Uses)	<u>(8,570)</u>	<u>(8,570)</u>	<u>-</u>
Net Change in Fund Balance	<u>(9,530)</u>	<u>(8,570)</u>	<u>960</u>
Fund Balance at Beginning of Year	12,820	12,820	-
Fund Balance at End of Year	<u>\$ 3,290</u>	<u>\$ 4,250</u>	<u>\$ 960</u>

**South Florida Water Management District
Special Revenue Fund
Florida Bay
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ 1,000,000	\$ 1,001,020	\$ 1,020
Investment Earnings	-	7,378	7,378
Total Revenues	<u>1,000,000</u>	<u>1,008,398</u>	<u>8,398</u>
EXPENDITURES			
Administrative Services and Executive Offices			
Restoration	328,099	139,282	188,817
Total Administrative Services and Executive Offices	<u>328,099</u>	<u>139,282</u>	<u>188,817</u>
Water Resources			
Modeling and Scientific Support	145,000	85,000	60,000
Restoration	1,823,181	1,361,637	461,544
Total Water Resources	<u>1,968,181</u>	<u>1,446,637</u>	<u>521,544</u>
Total Expenditures	<u>2,296,280</u>	<u>1,585,919</u>	<u>710,361</u>
Revenues in Excess of (Less than) Expenditures	<u>(1,296,280)</u>	<u>(577,521)</u>	<u>718,759</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	473,887	473,887	-
Total Other Financing Sources (Uses)	<u>473,887</u>	<u>473,887</u>	<u>-</u>
Net Change in Fund Balance	<u>(822,393)</u>	<u>(103,634)</u>	<u>718,759</u>
Fund Balance at Beginning of Year	947,030	947,030	-
Fund Balance at End of Year	<u>\$ 124,637</u>	<u>\$ 843,396</u>	<u>\$ 718,759</u>

**South Florida Water Management District
Capital Projects Fund
District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 5,368	\$ 5,368
Investment Earnings	-	221,437	221,437
Sale of District Property	-	909	909
Other	-	1,292	1,292
Total Revenues	-	229,006	229,006
EXPENDITURES			
Administrative Services and Executive Offices			
Mission Support	597,713	264,764	332,949
Modeling and Scientific Support	31,800	16,200	15,600
Operations and Maintenance	560,135	165,399	394,736
Regulation	75,635	25,635	50,000
Restoration	554,002	532,609	21,393
Total Administrative Services and Executive Offices	1,819,285	1,004,607	814,678
Operations, Maintenance, and Construction			
Land Stewardship	31,000	31,000	-
Mission Support	6,464	6,464	-
Operations and Maintenance	3,878,081	902,227	2,975,854
Restoration	7,281,852	2,513,439	4,768,413
Total Operations, Maintenance, and Construction	11,197,397	3,453,130	7,744,267
Water Resources			
Modeling and Scientific Support	215,007	213,875	1,132
Restoration	33,643	29,024	4,619
Total Water Resources	248,650	242,899	5,751
Debt Service			
COPS Bond Principal Retirement	5,189,322	5,189,322	-
COPS Bond Interest	10,536,087	10,536,087	-
Total Debt Service	15,725,409	15,725,409	-
Contingency			
Managerial Reserve	16,549,648	-	16,549,648
Total Contingency	16,549,648	-	16,549,648
Total Expenditures	45,540,389	20,426,045	25,114,344
Revenues in Excess of (Less than) Expenditures	(45,540,389)	(20,197,039)	25,343,350
OTHER FINANCING SOURCES (USES)			
Transfers In	23,538,483	23,538,483	-
Transfers Out	(2,539,424)	(2,539,424)	-
Total Other Financing Sources (Uses)	20,999,059	20,999,059	-
Net Change in Fund Balance	(24,541,330)	802,020	25,343,350
Fund Balance at Beginning of Year	24,706,977	24,706,977	-
Fund Balance at End of Year	\$ 165,647	\$ 25,508,997	\$ 25,343,350

**South Florida Water Management District
Capital Projects Fund
Okeechobee Basin
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 97,985	\$ 97,985
Investment Earnings	-	147,920	147,920
Sale of District Property	-	780,722	780,722
Other	-	215,524	215,524
Total Revenues	-	1,242,151	1,242,151
EXPENDITURES			
Administrative Services and Executive Offices			
Land Stewardship	41,534	22,000	19,534
Restoration	5,809,099	882,343	4,926,756
Total Administrative Services and Executive Offices	5,850,633	904,343	4,946,290
Operations, Maintenance, and Construction			
Land Stewardship	8,150	6,583	1,567
Operations and Maintenance	29,109,834	22,180,537	6,929,297
Restoration	7,168,449	2,179,679	4,988,770
Total Operations, Maintenance, and Construction	36,286,433	24,366,799	11,919,634
Water Resources			
Restoration	30,000	26,020	3,980
Total Water Resources	30,000	26,020	3,980
Contingency			
Managerial Reserve	4,208,264	-	4,208,264
Total Contingency	4,208,264	-	4,208,264
Total Expenditures	46,375,330	25,297,162	21,078,168
Revenues in Excess of (Less than) Expenditures	(46,375,330)	(24,055,011)	22,320,319
OTHER FINANCING SOURCES (USES)			
Transfers In	32,784,377	32,784,377	-
Transfers Out	(3,129,328)	(3,129,328)	-
Total Other Financing Sources (Uses)	29,655,049	29,655,049	-
Net Change in Fund Balance	(16,720,281)	5,600,038	22,320,319
Fund Balance at Beginning of Year	16,852,749	16,852,749	-
Fund Balance at End of Year	\$ 132,468	\$ 22,452,787	\$ 22,320,319

**South Florida Water Management District
Capital Projects Fund
Big Cypress Basin
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Investment Earnings	\$ -	\$ 130,360	\$ 130,360
Sale of District Property	-	104	104
Total Revenues	-	130,464	130,464
EXPENDITURES			
Administrative Services and Executive Offices			
Restoration	50,000	25,000	25,000
Total Administrative Services and Executive Offices	50,000	25,000	25,000
Operations, Maintenance, and Construction			
Operations and Maintenance	4,972,597	4,003,673	968,924
Restoration	63,895	63,895	-
Total Operations, Maintenance, and Construction	5,036,492	4,067,568	968,924
Contingency			
Managerial Reserve	1,401,833	-	1,401,833
Total Contingency	1,401,833	-	1,401,833
Total Expenditures	6,488,325	4,092,568	2,395,757
Revenues in Excess of (Less than) Expenditures	(6,488,325)	(3,962,104)	2,526,221
OTHER FINANCING SOURCES (USES)			
Transfers In	1,580,000	1,580,000	-
Transfers Out	(356,818)	(356,818)	-
Total Other Financing Sources (Uses)	1,223,182	1,223,182	-
Net Change in Fund Balance	(5,265,143)	(2,738,922)	2,526,221
Fund Balance at Beginning of Year	10,229,125	10,229,125	-
Fund Balance at End of Year	\$ 4,963,982	\$ 7,490,203	\$ 2,526,221

**South Florida Water Management District
Capital Projects Fund
Save Our Rivers
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ 20,000,000	\$ 16,984,718	(\$ 3,015,282)
Investment Earnings	-	77,387	77,387
Sale of District Property	-	2,488,800	2,488,800
Leases	11,805	-	(11,805)
Total Revenues	<u>20,011,805</u>	<u>19,550,905</u>	<u>(460,900)</u>
EXPENDITURES			
Administrative Services and Executive Offices			
Land Stewardship	57,000	57,000	-
Restoration	25,050,790	21,606,548	3,444,242
Total Administrative Services and Executive Offices	<u>25,107,790</u>	<u>21,663,548</u>	<u>3,444,242</u>
Operations, Maintenance, and Construction			
Land Stewardship	24,756	7,562	17,194
Total Operations, Maintenance, and Construction	<u>24,756</u>	<u>7,562</u>	<u>17,194</u>
Contingency			
Managerial Reserve	4,635,289	-	4,635,289
Total Contingency	<u>4,635,289</u>	<u>-</u>	<u>4,635,289</u>
Total Expenditures	<u>29,767,835</u>	<u>21,671,110</u>	<u>8,096,725</u>
Revenues in Excess of (Less than) Expenditures	<u>(9,756,030)</u>	<u>(2,120,205)</u>	<u>7,635,825</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	81,756	81,756	-
Total Other Financing Sources (Uses)	<u>81,756</u>	<u>81,756</u>	<u>-</u>
Net Change in Fund Balance	<u>(9,674,274)</u>	<u>(2,038,449)</u>	<u>7,635,825</u>
Fund Balance at Beginning of Year	12,064,053	12,064,053	-
Fund Balance at End of Year	<u>\$ 2,389,779</u>	<u>\$ 10,025,604</u>	<u>\$ 7,635,825</u>

**South Florida Water Management District
Capital Projects Fund
State Appropriations
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ 3,000,000	\$ 999,700	(\$ 2,000,300)
Total Revenues	<u>3,000,000</u>	<u>999,700</u>	<u>(2,000,300)</u>
EXPENDITURES			
Administrative Services and Executive Offices			
Restoration	395,465	347,368	48,097
Total Administrative Services and Executive Offices	<u>395,465</u>	<u>347,368</u>	<u>48,097</u>
Operations, Maintenance, and Construction			
Restoration	3,000,000	999,700	2,000,300
Total Operations, Maintenance, and Construction	<u>3,000,000</u>	<u>999,700</u>	<u>2,000,300</u>
Total Expenditures	<u>3,395,465</u>	<u>1,347,068</u>	<u>2,048,397</u>
Revenues in Excess of (Less than) Expenditures	<u>(395,465)</u>	<u>(347,368)</u>	<u>48,097</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	395,465	395,465	-
Total Other Financing Sources (Uses)	<u>395,465</u>	<u>395,465</u>	<u>-</u>
Net Change in Fund Balance	-	48,097	48,097
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ 48,097</u>	<u>\$ 48,097</u>

**South Florida Water Management District
Capital Projects Fund
Everglades Trust
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 328,261	\$ 328,261
Investment Earnings	-	1,249,095	1,249,095
Sale of District Property	-	97	97
Total Revenues	<u>-</u>	<u>1,577,453</u>	<u>1,577,453</u>
EXPENDITURES			
	-		
Operations, Maintenance, and Construction			
Restoration	2,839,555	1,633,731	1,205,824
Total Operations, Maintenance, and Construction	<u>2,839,555</u>	<u>1,633,731</u>	<u>1,205,824</u>
Water Resources			
Restoration	185,417	183,226	2,191
Total Water Resources	<u>185,417</u>	<u>183,226</u>	<u>2,191</u>
Debt Service			
COPS Bond Principal Retirement	6,420,678	6,420,678	-
COPS Bond Interest	13,036,160	13,036,160	-
Total Debt Service	<u>19,456,838</u>	<u>19,456,838</u>	<u>-</u>
Contingency			
Managerial Reserve	5,132,416	-	5,132,416
Total Contingency	<u>5,132,416</u>	<u>-</u>	<u>5,132,416</u>
Total Expenditures	<u>27,614,226</u>	<u>21,273,795</u>	<u>6,340,431</u>
Revenues in Excess of (Less than) Expenditures	<u>(27,614,226)</u>	<u>(19,696,342)</u>	<u>7,917,884</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	20,173,238	20,173,238	-
Transfers Out	(6,276,576)	(6,276,576)	-
Total Other Financing Sources (Uses)	<u>13,896,662</u>	<u>13,896,662</u>	<u>-</u>
Net Change in Fund Balance	<u>(13,717,564)</u>	<u>(5,799,680)</u>	<u>7,917,884</u>
Fund Balance at Beginning of Year	96,763,485	96,763,485	-
Fund Balance at End of Year	<u>\$ 83,045,921</u>	<u>\$ 90,963,805</u>	<u>\$ 7,917,884</u>

**South Florida Water Management District
Capital Projects Fund
Federal Emergency Management Agency
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
EXPENDITURES			
OTHER FINANCING SOURCES (USES)			
Transfers Out	(\$ 114,898)	(\$ 114,898)	\$ -
Total Other Financing Sources (Uses)	(114,898)	(114,898)	-
Net Change in Fund Balance	(114,898)	(114,898)	-
Fund Balance at Beginning of Year	114,917	114,917	-
Fund Balance at End of Year	\$ 19	\$ 19	\$ -

**South Florida Water Management District
Capital Projects Fund
Florida Bay
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ 6,600,000	\$ 6,600,000	\$ -
Investment Earnings	-	59,386	59,386
Total Revenues	<u>6,600,000</u>	<u>6,659,386</u>	<u>59,386</u>
EXPENDITURES			
Administrative Services and Executive Offices			
Restoration	235,794	-	235,794
Total Administrative Services and Executive Offices	<u>235,794</u>	<u>-</u>	<u>235,794</u>
Water Resources			
Restoration	10,572	10,473	99
Total Water Resources	<u>10,572</u>	<u>10,473</u>	<u>99</u>
Contingency			
Managerial Reserve	7,604,727	-	7,604,727
Total Contingency	<u>7,604,727</u>	<u>-</u>	<u>7,604,727</u>
Total Expenditures	<u>7,851,093</u>	<u>10,473</u>	<u>7,840,620</u>
Revenues in Excess of (Less than) Expenditures	<u>(1,251,093)</u>	<u>6,648,913</u>	<u>7,900,006</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	(473,887)	(473,887)	-
Total Other Financing Sources (Uses)	<u>(473,887)</u>	<u>(473,887)</u>	<u>-</u>
Net Change in Fund Balance	(1,724,980)	6,175,026	7,900,006
Fund Balance at Beginning of Year	2,521,144	2,521,144	-
Fund Balance at End of Year	<u>\$ 796,164</u>	<u>\$ 8,696,170</u>	<u>\$ 7,900,006</u>

**South Florida Water Management District
Capital Projects Fund
Wetland Mitigation
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Investment Earnings	\$ -	\$ 132,687	\$ 132,687
Total Revenues	<u>-</u>	<u>132,687</u>	<u>132,687</u>
EXPENDITURES			
Operations, Maintenance, and Construction			
Restoration	1,432	1,432	-
Total Operations, Maintenance, and Construction	<u>1,432</u>	<u>1,432</u>	<u>-</u>
Contingency			
Managerial Reserve	3,369,748	-	3,369,748
Total Contingency	<u>3,369,748</u>	<u>-</u>	<u>3,369,748</u>
Total Expenditures	<u>3,371,180</u>	<u>1,432</u>	<u>3,369,748</u>
Revenues in Excess of (Less than) Expenditures	<u>(3,371,180)</u>	<u>131,255</u>	<u>3,502,435</u>
Net Change in Fund Balance	<u>(3,371,180)</u>	<u>131,255</u>	<u>3,502,435</u>
Fund Balance at Beginning of Year	9,057,114	9,057,114	-
Fund Balance at End of Year	<u>\$ 5,685,934</u>	<u>\$ 9,188,369</u>	<u>\$ 3,502,435</u>

**South Florida Water Management District
Capital Projects Fund
Comprehensive Everglades Restoration Plan (CERP)
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Sale of District Property	\$ -	\$ 263	\$ 263
Total Revenues	-	263	263
EXPENDITURES			
Administrative Services and Executive Offices			
Restoration	2,650	-	2,650
Total Administrative Services and Executive Offices	2,650	-	2,650
Operations, Maintenance, and Construction			
Restoration	2,119,442	77,808	2,041,634
Total Operations, Maintenance, and Construction	2,119,442	77,808	2,041,634
Contingency			
Managerial Reserve	1,050,730	-	1,050,730
Total Contingency	1,050,730	-	1,050,730
Total Expenditures	3,172,822	77,808	3,095,014
Revenues in Excess of (Less than) Expenditures	(3,172,822)	(77,545)	3,095,277
OTHER FINANCING SOURCES (USES)			
Transfers Out	(1,119,826)	(1,119,826)	-
Total Other Financing Sources (Uses)	(1,119,826)	(1,119,826)	-
Net Change in Fund Balance	(4,292,648)	(1,197,371)	3,095,277
Fund Balance at Beginning of Year	4,292,683	4,292,683	-
Fund Balance at End of Year	\$ 35	\$ 3,095,312	\$ 3,095,277

South Florida Water Management District
Capital Projects Fund
Federal Land Acquisition
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
EXPENDITURES			
Fund Balance at Beginning of Year	\$ 3,932,715	\$ 3,932,715	\$ -
Fund Balance at End of Year	<u>\$ 3,932,715</u>	<u>\$ 3,932,715</u>	<u>\$ -</u>

**South Florida Water Management District
Capital Projects Fund
Save Our Everglades
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Intergovernmental	\$ 119,290,022	\$ 41,576,195	(\$ 77,713,827)
Sale of District Property	-	808,490	808,490
Leases	70,220	-	(70,220)
Other	-	230,301	230,301
Total Revenues	<u>119,360,242</u>	<u>42,614,986</u>	<u>(76,745,256)</u>
EXPENDITURES			
Administrative Services and Executive Offices			
Restoration	97,288	42,987	54,301
Total Administrative Services and Executive Offices	<u>97,288</u>	<u>42,987</u>	<u>54,301</u>
Operations, Maintenance, and Construction			
Restoration	104,515,299	67,924,947	36,590,352
Total Operations, Maintenance, and Construction	<u>104,515,299</u>	<u>67,924,947</u>	<u>36,590,352</u>
Contingency			
Managerial Reserve	35,438,193	-	35,438,193
Total Contingency	<u>35,438,193</u>	<u>-</u>	<u>35,438,193</u>
Total Expenditures	<u>140,050,780</u>	<u>67,967,934</u>	<u>72,082,846</u>
Revenues in Excess of (Less than) Expenditures	<u>(20,690,539)</u>	<u>(25,352,948)</u>	<u>(4,662,409)</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	(149,697)	-	149,697
Total Other Financing Sources (Uses)	<u>(149,697)</u>	<u>-</u>	<u>149,697</u>
Net Change in Fund Balance	<u>(20,840,236)</u>	<u>(25,352,948)</u>	<u>(4,512,712)</u>
Fund Balance at Beginning of Year	(2,363,914)	(2,363,914)	-
Fund Balance at End of Year	<u>(\$ 23,204,150)</u>	<u>(\$ 27,716,862)</u>	<u>(\$ 4,512,712)</u>

**South Florida Water Management District
Capital Projects Fund
Comprehensive Everglades Restoration Plan - Other Creditable
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
EXPENDITURES			
Operations, Maintenance, and Construction			
Restoration	\$ 1,610,993	\$ 3,909	\$ 1,607,084
Total Operations, Maintenance, and Construction	<u>1,610,993</u>	<u>3,909</u>	<u>1,607,084</u>
Contingency			
Managerial Reserve	2,642,870	-	2,642,870
Total Contingency	<u>2,642,870</u>	<u>-</u>	<u>2,642,870</u>
Total Expenditures	<u>4,253,863</u>	<u>3,909</u>	<u>4,249,954</u>
Revenues in Excess of (Less than) Expenditures	<u>(4,253,863)</u>	<u>(3,909)</u>	<u>4,249,954</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	(63,477)	(63,477)	-
Total Other Financing Sources (Uses)	<u>(63,477)</u>	<u>(63,477)</u>	<u>-</u>
Net Change in Fund Balance	<u>(4,317,340)</u>	<u>(67,386)</u>	<u>4,249,954</u>
Fund Balance at Beginning of Year	4,315,535	4,315,535	-
Fund Balance at End of Year	<u><u>(\$ 1,805)</u></u>	<u><u>\$ 4,248,149</u></u>	<u><u>\$ 4,249,954</u></u>

**South Florida Water Management District
Capital Projects Fund
COPS - Everglades Forever Act (EFA)
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Investment Earnings	\$ -	\$ 195,177	\$ 195,177
Sale of District Property	-	24	24
Total Revenues	-	195,201	195,201
EXPENDITURES			
Operations, Maintenance, and Construction			
Restoration	24,375,130	23,553,472	821,658
Total Operations, Maintenance, and Construction	24,375,130	23,553,472	821,658
Total Expenditures	24,375,130	23,553,472	821,658
Revenues in Excess of (Less than) Expenditures	(24,375,130)	(23,358,271)	1,016,859
OTHER FINANCING SOURCES (USES)			
Transfers In	13,895,131	13,895,131	-
Total Other Financing Sources (Uses)	13,895,131	13,895,131	-
Net Change in Fund Balance	(10,479,999)	(9,463,140)	1,016,859
Fund Balance at Beginning of Year	10,635,486	10,635,486	-
Fund Balance at End of Year	\$ 155,487	\$ 1,172,346	\$ 1,016,859

South Florida Water Management District
Capital Projects Fund
COPS - Comprehensive Everglades Restoration Plan (CERP)
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Sale of District Property	\$ -	\$ 115	\$ 115
Total Revenues	-	115	115
EXPENDITURES			
Revenues in Excess of (Less than) Expenditures	-	115	115
OTHER FINANCING SOURCES (USES)			
Transfers Out	(13,895,994)	(13,895,131)	863
Total Other Financing Sources (Uses)	(13,895,994)	(13,895,131)	863
Net Change in Fund Balance	(13,895,994)	(13,895,016)	978
Fund Balance at Beginning of Year	13,977,457	13,977,457	-
Fund Balance at End of Year	\$ 81,463	\$ 82,441	\$ 978

**South Florida Water Management District
Capital Projects Fund
Lake Belt Mitigation
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Investment Earnings	\$ -	\$ 9,535	\$ 9,535
Licenses, Permits and Fees	5,000,000	-	(5,000,000)
Total Revenues	<u>5,000,000</u>	<u>9,535</u>	<u>(4,990,465)</u>
EXPENDITURES			
Administrative Services and Executive Offices			
Land Stewardship	331,917	240,000	91,917
Total Administrative Services and Executive Offices	<u>331,917</u>	<u>240,000</u>	<u>91,917</u>
Operations, Maintenance, and Construction			
Land Stewardship	5,055,647	59,306	4,996,341
Total Operations, Maintenance, and Construction	<u>5,055,647</u>	<u>59,306</u>	<u>4,996,341</u>
Total Expenditures	<u>5,387,564</u>	<u>299,306</u>	<u>5,088,258</u>
Revenues in Excess of (Less than) Expenditures	<u>(387,564)</u>	<u>(289,771)</u>	<u>97,793</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	87,117	87,117	-
Total Other Financing Sources (Uses)	<u>87,117</u>	<u>87,117</u>	<u>-</u>
Net Change in Fund Balance	<u>(300,447)</u>	<u>(202,654)</u>	<u>97,793</u>
Fund Balance at Beginning of Year	674,031	674,031	-
Fund Balance at End of Year	<u>\$ 373,584</u>	<u>\$ 471,377</u>	<u>\$ 97,793</u>

**South Florida Water Management District
Capital Projects Fund
Lake Okeechobee
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
EXPENDITURES			
Administrative Services and Executive Offices			
Restoration	\$ 82,636	\$ -	\$ 82,636
Total Administrative Services and Executive Offices	82,636	-	82,636
Operations, Maintenance, and Construction			
Restoration	91,475	91,475	-
Total Operations, Maintenance, and Construction	91,475	91,475	-
Total Expenditures	174,111	91,475	82,636
Revenues in Excess of (Less than) Expenditures	(174,111)	91,475	82,636
OTHER FINANCING SOURCES (USES)			
Transfers In	82,636	82,636	-
Total Other Financing Sources (Uses)	82,636	82,636	-
Net Change in Fund Balance	(91,475)	(8,839)	82,636
Fund Balance at Beginning of Year	6,986	6,986	-
Fund Balance at End of Year	(\$ 84,489)	(\$ 1,853)	\$ 82,636

**South Florida Water Management District
Permanent Fund
Wetland Mitigation
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Year Ended September 30, 2015**

	Final Budget	Actual	Variance with Final Budget-Positive (Negative)
REVENUES			
Investment Earnings	\$ -	\$ 225,035	\$ 225,035
Licenses, Permits and Fees	-	683,090	683,090
Total Revenues	<u>-</u>	<u>908,125</u>	<u>908,125</u>
EXPENDITURES			
Contingency			
Managerial Reserve	21,660	-	21,660
Total Contingency	<u>21,660</u>	<u>-</u>	<u>21,660</u>
Total Expenditures	<u>21,660</u>	<u>-</u>	<u>21,660</u>
Revenues in Excess of (Less than) Expenditures	<u>(21,660)</u>	<u>908,125</u>	<u>929,785</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	21,660	21,660	-
Total Other Financing Sources (Uses)	<u>21,660</u>	<u>21,660</u>	<u>-</u>
Net Change in Fund Balance	-	929,785	929,785
Fund Balance at Beginning of Year	15,200,582	15,200,582	-
Fund Balance at End of Year	<u>\$ 15,200,582</u>	<u>\$ 16,130,367</u>	<u>\$ 929,785</u>

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

Internal Service Funds

Internal Service Funds are used to account for District activities that provide services to other funds and organizational units on a cost reimbursement basis.

Self Insurance Fund

Accounts for the operations related to providing workers' compensation, general liability, and automobile insurance coverage to all District resource areas. Revenue is provided through interfund charges based on a cost allocation study.

Health Benefits Fund

Accounts for the operations related to providing health and medical insurance coverage to District employees and retirees who choose to remain in the plan. Revenue is provided through interfund charges and employee and retiree contributions.

**South Florida Water Management District
Combining Statement of Net Position
Internal Service Funds
September 30, 2015**

	Self Insurance Fund	Health Benefits Fund	Total
ASSETS			
Current Assets			
Cash and Investments	\$ 9,259,967	\$ 8,374,010	\$ 17,633,977
Accounts Receivable	40,993	673	41,666
Other Assets	140,000	775,000	915,000
Total Current Assets	9,440,960	9,149,683	18,590,643
Noncurrent Assets			
Furniture, Fixtures and Equipment	27,459	-	27,459
Computer Hardware	3,030	-	3,030
Vehicles	36,224	-	36,224
Accumulated Depreciation	(39,698)	-	(39,698)
Total Noncurrent Assets	27,015	-	27,015
Total Assets	9,467,975	9,149,683	18,617,658
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 1,298	\$ 472,028	\$ 473,326
Claims Payable	898,185	1,487,219	2,385,404
Total Current Liabilities	899,483	1,959,247	2,858,730
Noncurrent Liabilities			
Claims Payable	2,697,815	-	2,697,815
Total Noncurrent Liabilities	2,697,815	-	2,697,815
Total Liabilities	3,597,298	1,959,247	5,556,545
NET POSITION			
Net Position			
Net Investment in Capital Assets	27,015	-	27,015
Unrestricted	5,843,662	7,190,436	13,034,098
Total Net Position	\$ 5,870,677	\$ 7,190,436	\$ 13,061,113

South Florida Water Management District
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
Internal Service Funds
For the Year Ended September 30, 2015

	Self Insurance Fund	Health Benefits Fund	Total
OPERATING REVENUES			
Charges for Services	\$ 1,519,292	\$ 27,439,100	\$ 28,958,392
Other Operating Revenue	63,565	118,108	181,673
Total Operating Revenues	<u>1,582,857</u>	<u>27,557,208</u>	<u>29,140,065</u>
OPERATING EXPENSES			
Salaries	304,459	84,071	388,530
Benefits	108,293	18,589	126,882
Claims	784,612	24,178,032	24,962,644
Purchased Services	170,679	10,131	180,810
Administrative Fees	-	2,171,543	2,171,543
Premiums and Other	1,459,726	1,207,796	2,667,522
Depreciation	5,111	-	5,111
Total Operating Expenses	<u>2,832,880</u>	<u>27,670,162</u>	<u>30,503,042</u>
OPERATING INCOME (LOSS)	(1,250,023)	(112,954)	(1,362,977)
NONOPERATING REVENUES			
Investment Earnings	129,559	97,650	227,209
Total Nonoperating Revenues	<u>129,559</u>	<u>97,650</u>	<u>227,209</u>
Change in Net Position	(1,120,464)	(15,304)	(1,135,768)
Net Position at Beginning of Year	<u>6,991,141</u>	<u>7,205,740</u>	<u>14,196,881</u>
Net Position at End of Year	<u>\$ 5,870,677</u>	<u>\$ 7,190,436</u>	<u>\$ 13,061,113</u>

**South Florida Water Management District
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended September 30, 2015**

	Self Insurance Fund	Health Benefits Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Receipts from Participants and Other Funds	\$ 1,523,219	\$ 27,434,451	\$ 28,957,670
Cash Payments to Suppliers	(1,193,269)	(3,549,587)	(4,742,856)
Cash Payments for Salaries, Benefits	(412,752)	(102,660)	(515,412)
Claims Paid	(961,612)	(24,435,731)	(25,397,343)
Other Receipts	63,565	900,830	964,395
Net Cash Provided by (Used in) Operating Activities	<u>(980,849)</u>	<u>247,303</u>	<u>(733,546)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment Earnings	129,559	97,650	227,209
Net Cash Provided by Investing Activities	<u>129,559</u>	<u>97,650</u>	<u>227,209</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(851,290)	344,953	(506,337)
Cash and Cash Equivalents, Beginning of Year	<u>10,111,257</u>	<u>8,029,057</u>	<u>18,140,314</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 9,259,967</u></u>	<u><u>\$ 8,374,010</u></u>	<u><u>\$ 17,633,977</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Operating Loss	(1,250,023)	(112,954)	(1,362,977)
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used In) Operating Activities			
Depreciation	5,111	-	5,111
CHANGES IN ASSETS AND LIABILITIES:			
Decrease (Increase) in Accounts Receivable	3,927	6,294	10,221
Decrease (Increase) in Due from Other Funds	-	782,722	782,722
Decrease (Increase) in Prepays	538,249	-	538,249
Increase (Decrease) in Accounts Payable	(98,774)	(171,060)	(269,834)
Increase (Decrease) in Due to Other Funds	(2,339)	-	(2,339)
Increase (Decrease) in Estimated Unpaid Claims	(177,000)	(257,699)	(434,699)
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ (980,849)</u></u>	<u><u>\$ 247,303</u></u>	<u><u>\$ (733,546)</u></u>

STATISTICAL SECTION

Statistical Section

This part of the South Florida Water Management District's Comprehensive Annual Financial Report presents detailed information as context for understanding what the information in the financial statements, note disclosure, and required supplementary information says about the District's overall financial health.

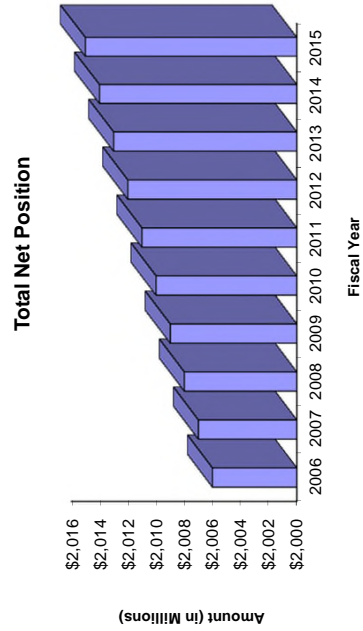
FINANCIAL TRENDS.....	VI-2
<i>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.</i>	
REVENUE CAPACITY	VI-8
<i>These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.</i>	
DEBT CAPACITY	VI-17
<i>These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debts and the District's ability to issue additional debt in the future.</i>	
DEMOGRAPHIC AND ECONOMIC INFORMATION	VI-19
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.</i>	
OPERATING INFORMATION	VI-23
<i>These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District's provides and the activities it performs.</i>	

Sources: *Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.*

Schedule 1
South Florida Water Management District
Net Position by Category
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

	Fiscal Year									
	2006	2007	2008 ¹	2009	2010	2011	2012	2013	2014	2015
Net investment in capital assets	\$ 2,991,538,729	\$ 3,398,712,773	\$ 3,679,678,118	\$ 3,788,956,243	\$ 3,889,860,428	\$ 4,157,311,051	\$ 4,172,534,865	\$ 4,213,896,550	\$ 4,278,898,454	\$ 4,377,051,438
Restricted for:										
Debt Service	5,842,813	26,937,291	28,235,089	28,523,676	28,802,266	30,327,489	29,482,154	29,834,800	30,249,638	30,676,809
Wetlands Mitigation Expendable	13,048,502	11,552,393	13,790,936	16,476,384	23,272,435	23,290,831	22,168,650	21,723,599	22,584,805	26,235,007
Nonexpendable	7,230,157	7,538,957	7,687,077	10,262,096	12,707,638	13,988,620	14,016,126	14,037,630	14,967,099	15,650,188
Environmental Programs	40,830,660	49,828,254	57,195,146	51,814,854	233,501,723	267,486,175	278,835,411	287,183,215	290,169,479	317,637,626
Capital Construction	-	-	-	-	-	63,511,269	27,848,557	27,416,896	27,081,874	29,942,990
Totals for Restricted	66,952,132	95,856,895	106,908,248	107,077,010	298,284,060	398,604,384	372,350,898	380,196,140	385,052,895	420,142,620
Unrestricted	215,398,367	301,251,768	379,896,285	471,387,884	355,459,774	68,008,071	83,455,740	58,479,678	45,580,540	(16,631,594)
Total Net Position	\$ 3,273,889,228	\$ 3,795,821,436	\$ 4,166,482,651	\$ 4,367,421,137	\$ 4,543,604,262	\$ 4,623,923,506	\$ 4,628,341,303	\$ 4,652,572,368	\$ 4,709,531,889	\$ 4,780,562,464

¹ Ending net position restated by \$41,053,467.



Schedule 2
South Florida Water Management District
Changes in Net Position
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Land Stewardship	\$ 115,901,217	\$ 128,467,596	\$ 103,599,908	\$ 105,245,086	\$ 114,123,630	\$ 121,213,117	\$ 17,230,408	\$ 11,221,915	\$ 13,762,682	\$ 17,226,734
Mission Support	-	-	-	-	-	-	59,451,321	46,556,301	45,166,915	42,800,144
Modeling and Scientific Support	-	-	-	-	-	-	10,229,236	10,775,376	11,572,865	10,841,821
Operations and Maintenance	91,518,678	97,480,318	146,532,283	133,417,655	122,360,621	134,014,814	130,821,218	135,936,264	114,290,603	113,623,935
Regulation	-	-	-	-	-	-	20,960,963	22,769,011	19,194,734	18,286,488
Restoration	183,764,384	183,624,022	195,459,257	179,584,139	170,045,556	115,552,532	106,379,179	146,728,178	85,037,648	86,042,884
Water Supply	71,239,720	77,191,322	73,680,009	50,853,964	30,375,078	28,085,557	15,496,110	14,127,405	17,464,823	14,888,542
Interest on Long-Term Debt	5,862,342	25,466,262	27,496,071	26,880,613	26,264,799	25,608,163	24,896,558	26,521,567	23,272,985	22,536,959
Total Expenses	468,286,341	512,229,520	546,767,528	495,981,457	463,169,684	424,474,183	385,464,993	414,636,017	329,763,255	326,247,507
Program Revenues										
Operating Grants & Contributions										
Land Stewardship	-	-	-	-	-	-	1,000,814	1,414,592	3,169,386	3,869,549
Mission Support	-	-	-	-	-	-	784,356	487,103	3,833,388	199,427
Modeling and Scientific Support	-	-	-	-	-	-	20,170	27,206	25,955	43,733
Operations and Maintenance	37,726,800	39,301,930	39,287,214	20,070,144	4,291,272	3,983,318	9,852,785	14,351,306	16,552,486	14,804,859
Regulation	-	-	-	-	-	-	26,945	21,511	16,865	12,855
Restoration	1,304,033	16,326,983	21,103,303	11,061,814	20,087,646	23,810,358	4,824,792	7,897,125	17,319,769	17,603,573
Water Supply	26,382,690	51,205,258	27,172,174	7,655,238	4,751	3,521,120	70,000	-	102,840	103,000
Total Operating Grants & Contributions	65,413,523	106,834,171	87,562,691	38,787,196	24,383,669	31,324,796	16,579,862	24,198,843	41,020,689	36,637,096
Capital Grants & Contributions:										
Land Stewardship	-	-	-	-	-	-	32,827	46,065	-	862,500
Mission Support	-	612,722	1,902,128	12,000	3,193,658	-	9,585,221	269,933	-	-
Operations and Maintenance	13,656,576	21,986,733	54,381,178	7,806,297	21,301,044	12,560,490	-	86,415	-	271,937
Restoration	368,432,012	262,837,217	191,915,979	53,211,727	80,199,258	10,797,605	45,705,508	52,662,666	65,112,460	104,189,075
Water Supply	1,371,778	7,250	-	-	-	-	-	-	-	-
Total Capital Grants & Contributions	383,460,366	285,443,922	248,199,285	61,030,024	104,693,960	23,358,095	55,323,556	53,064,079	65,112,460	105,323,512
Charges for Services										
Land Stewardship	-	-	-	-	-	-	11,616,667	20,114,342	21,846,034	20,801,570
Mission Support	-	-	148,175	99,733	10,379,191	11,278,950	9,140,164	10,978,092	12,035,727	12,240,195
Operations and Maintenance	-	-	6,388,625	3,280,921	4,857,675	8,039,514	115,421	71,392	77,820	99,695
Regulation	-	-	-	-	-	-	2,785,026	2,982,230	3,718,028	3,643,555
Water Supply	11,805,719	12,761,049	4,630,694	6,061,734	5,798,803	3,319,171	-	-	-	-
Total Charges for Services	11,805,719	12,761,049	11,167,484	9,442,388	21,035,669	22,637,635	23,657,278	34,146,056	37,677,609	36,785,015
Total Program Revenues	460,679,608	405,039,142	346,929,470	109,259,608	150,113,298	77,320,526	95,560,696	111,408,978	143,810,758	178,745,623
Net (Expense)/Revenue	(7,606,733)	(107,190,378)	(199,838,058)	(386,721,849)	(313,056,386)	(347,153,657)	(289,904,297)	(303,227,039)	(185,952,497)	(147,501,884)

Schedule 2
South Florida Water Management District
Changes in Net Position
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Revenues										
Taxes:										
Property Taxes, Levied for General Purpose	386,282,388	476,628,776	475,621,991	451,384,521	394,194,577	347,234,986	236,860,170	232,838,276	233,527,102	233,437,089
Property Taxes, Levied for Everglades Consi	70,980,322	84,882,009	84,388,098	81,045,067	72,185,795	64,381,190	47,798,117	47,242,100	47,140,188	46,700,646
Investment Earnings	18,440,431	47,506,506	37,834,818	28,483,350	14,467,902	13,693,847	8,611,844	385,038	6,058,186	8,079,756
Other	11,220,865	20,105,295	13,707,833	26,747,397	8,391,237	2,162,878	1,051,963	1,092,105	2,087,127	2,265,383
Gain on Sale of Capital Assets	15,365,812	-	-	-	-	-	-	-	-	-
Total General Revenues	<u>502,289,818</u>	<u>629,122,586</u>	<u>611,552,740</u>	<u>587,660,335</u>	<u>489,239,511</u>	<u>427,472,901</u>	<u>294,322,094</u>	<u>281,557,519</u>	<u>288,812,603</u>	<u>290,482,874</u>
Total Revenue	962,969,426	1,034,161,728	958,482,210	696,919,943	639,352,809	504,793,427	389,882,790	392,966,497	432,623,361	469,228,497
Change in Net Position	<u>\$ 494,683,085</u>	<u>\$ 521,932,208</u>	<u>\$ 411,714,682</u>	<u>\$ 200,938,486</u>	<u>\$ 176,183,125</u>	<u>\$ 80,319,244</u>	<u>\$ 4,417,797</u>	<u>\$ (21,669,520)</u>	<u>\$ 102,860,106</u>	<u>\$ 142,980,990</u>

Notes: In fiscal year 2006 the District changed its level of control. Due to this change only totals will be presented for all years prior to fiscal year 2006.

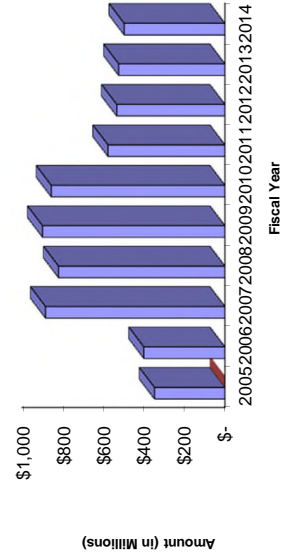
At the beginning of fiscal year 2012, the District reorganized its resource area and major program structure.

The increase in charges for services in the Mission Support program in fiscal year 2010 relates to services charged by the Self Insurance Fund and Health Insurance Fund, internal service funds.

Schedule 3
South Florida Water Management District
Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	\$ 11,933,752	\$ 9,776,476	\$ 9,296,735	\$ 7,631,800	\$ 11,120,668	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	37,101,833	54,269,757	84,982,169	81,084,241	76,659,888	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	201,145	201,145	-	-
Restricted	-	-	-	-	-	1,190,857	-	-	-	-
Committed	-	-	-	-	-	13,571,806	20,532,474	27,514,703	14,919,347	7,703,792
Assigned	-	-	-	-	-	50,267,731	48,616,088	32,914,652	42,477,518	46,652,734
Unassigned	-	-	-	-	-	22,761,839	12,774,338	2,485,387	6,022,833	9,287,577
Total General Fund	49,035,585	64,046,233	94,278,904	88,716,041	87,780,556	87,792,233	82,124,045	63,115,887	63,419,698	63,644,103
All Other Governmental Funds										
Reserved	137,723,123	202,169,397	95,628,437	100,455,114	128,352,468	-	-	-	-	-
Unreserved, reported in:										
Special Revenue Funds	98,778,294	120,286,117	126,025,864	137,081,191	116,393,784	-	-	-	-	-
Capital Project Funds	113,473,976	497,274,716	504,835,607	572,503,303	523,243,561	-	-	-	-	-
Permanent Fund	11,904	124,439	(902,266)	(37,783)	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	19,858,805	20,196,060	20,088,942	20,685,277	20,449,865
Restricted	-	-	-	-	-	418,023,868	386,520,197	397,978,668	412,681,591	404,492,432
Committed	-	-	-	-	-	31,991,986	12,223,594	57,610	-	-
Assigned	-	-	-	-	-	32,464,433	34,453,856	41,804,359	22,923,057	26,496,490
Unassigned	-	-	-	-	-	(13,880,130)	(2,213,847)	(73,179)	(23,947,554)	(31,515,240)
Total All Other Governmental Funds	349,987,297	819,854,669	725,587,642	810,001,825	767,989,813	488,458,962	451,179,860	459,856,400	432,342,371	419,923,547
Grand Total	\$ 399,022,882	\$ 883,900,902	\$ 819,866,546	\$ 898,717,866	\$ 855,770,369	\$ 576,251,195	\$ 533,303,905	\$ 522,972,287	\$ 495,762,069	\$ 483,567,650

Note: The District implemented GASB #54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2011. The increase in fund balance in fiscal year 2007 is a result of the issuance of Certificates of Participation (COPS), Series 2006, in the amount of \$546,120,000, the proceeds of which will be used to provide funds for the construction of high priority projects. Details regarding the District's outstanding debt can be found in Note 10 of the financial statements.



Schedule 4
South Florida Water Management District
Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
REVENUES										
Ad Valorem Property Taxes	\$ 445,749,903	\$ 549,849,748	\$ 548,747,480	\$ 520,754,080	\$ 454,702,214	\$ 400,551,714	\$ 273,150,566	\$ 268,486,810	\$ 269,227,569	\$ 269,056,878
Agricultural Privilege Taxes	11,512,807	11,661,037	11,262,609	11,675,508	11,678,158	11,064,462	11,507,721	11,593,566	11,439,721	11,080,857
Intergovernmental	448,598,226	204,806,608	286,478,999	97,309,268	92,069,137	67,888,578	44,507,437	37,455,441	85,611,812	103,360,352
Investment Earnings	18,716,094	47,506,507	37,834,818	28,483,350	14,404,749	13,108,606	8,294,234	353,207	5,890,856	7,852,547
Licenses, Permits and Fees	6,906,828	8,113,937	5,507,593	6,538,332	10,989,204	8,166,854	12,419,372	23,167,967	25,641,882	24,544,820
Self-Insurance Premiums	1,992,597	2,536,441	3,109,956	2,548,463	-	-	-	-	-	-
Sale of District Property	943,075	669,441	1,521,780	342,759	603,025	1,868,263	507,382	450,251	274,146	4,442,084
Indirect Costs Recovered	4,250,305	5,814,975	8,460,722	6,885,448	5,445,432	5,420,591	-	-	-	-
Leases	4,898,891	4,647,111	5,659,901	2,904,055	2,443,466	3,915,752	4,324,913	4,026,744	4,628,753	4,372,061
Other	4,034,888	11,714,828	1,502,932	11,173,458	2,934,236	895,996	959,735	922,227	1,995,553	5,113,114
Total Revenues	947,603,614	847,320,633	910,086,790	688,614,721	595,269,621	512,880,816	355,671,360	346,456,213	404,710,292	429,822,713
EXPENDITURES										
Current Operating	-	-	-	-	-	-	-	-	-	-
Land Stewardship	-	-	-	-	-	-	17,149,280	11,248,730	13,950,298	13,956,529
Mission Support	112,631,686	109,436,655	107,521,245	102,689,836	97,584,202	94,765,560	46,163,905	35,441,096	33,914,009	30,513,534
Modeling and Scientific Support	-	-	-	-	-	-	10,937,113	11,266,205	12,672,942	11,849,808
Operations and Maintenance	107,005,090	112,187,086	140,170,271	119,992,071	112,283,074	125,507,410	110,555,983	119,821,310	97,951,945	95,439,535
Regulation	-	-	-	-	-	-	17,344,353	19,146,260	18,271,802	17,510,659
Restoration	199,738,140	256,087,796	228,347,719	148,745,910	157,002,200	129,413,639	70,143,349	66,650,596	76,192,109	71,963,637
Water Supply	71,040,556	77,119,810	73,702,317	50,649,663	32,559,823	32,328,114	10,398,423	9,627,209	8,828,114	7,795,673
Capital Outlay	475,145,947	274,226,563	379,030,673	143,169,182	183,126,292	370,729,580	66,970,460	48,449,472	128,064,854	150,931,310
Debt Service										
Bond Principal Retirement	4,500,000	4,660,000	4,785,000	4,975,000	5,190,000	5,415,000	5,655,000	5,865,000	6,120,000	6,400,000
Bond Interest and Other Fiscal Charges	2,444,126	2,303,401	2,143,086	1,940,171	1,722,396	1,489,721	1,265,749	1,035,786	768,598	474,200
1 Bank Loan Principal Payments	3,577,553	86,847,342	3,247,469	1,832,482	1,832,482	2,975,339	1,142,857	-	-	-
Bank Loan Interest	740,199	580,847	390,991	279,620	206,172	180,724	19,867	-	-	-
Bond Issuance Costs	-	-	-	-	-	-	-	-	-	-
Deleasance Costs	-	-	-	-	-	-	-	-	-	-
Capital Lease Principal Payments	1,144,988	968,060	502,187	193,161	200,330	-	-	-	-	-
Capital Lease Interest	81,584	53,983	25,894	12,712	5,543	-	-	-	-	-
COPS Principal Retirement	-	-	7,675,000	9,015,000	9,370,000	9,705,000	10,135,000	10,610,000	11,060,000	11,610,000
COPS Interest	-	10,091,807	26,579,294	26,268,593	25,923,546	25,539,177	25,088,037	24,626,167	24,125,840	23,572,247
Total Expenditures	978,049,869	934,563,350	974,121,146	609,763,401	627,006,060	798,049,264	392,969,376	363,787,831	431,920,511	442,017,132
Revenues in Excess of (Less Than) Expenditures	(30,446,255)	(87,242,717)	(64,034,356)	78,851,320	(31,736,439)	(285,168,448)	(37,298,016)	(17,331,618)	(27,210,219)	(12,194,419)

Schedule 4
South Florida Water Management District
Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
OTHER FINANCING SOURCES (USES)										
Transfers In	212,798,171	261,893,797	214,646,804	454,498,325	163,744,472	143,735,575	72,862,774	110,969,774	144,193,867	106,048,512
Transfers Out	(212,798,171)	(261,893,797)	(214,646,804)	(454,498,325)	(174,955,529)	(143,735,575)	(72,862,774)	(103,969,774)	(144,193,867)	(106,048,512)
Land Acquisition Refunding Bonds Issues	-	-	-	-	-	-	-	-	-	-
Proceeds of Bond Issuance	-	-	-	-	-	-	-	-	-	-
Premium on Bonds Issued	-	26,081,797	-	-	-	-	-	-	-	-
Discount on Bonds Issued	-	(81,060)	-	-	-	-	-	-	-	-
Payment to Bond Escrow Agent	-	-	-	-	-	-	-	-	-	-
Proceeds of Bank Loan	82,000,000	-	-	-	-	-	-	-	-	-
Proceeds of Capital Leases	-	-	-	-	-	-	-	-	-	-
Proceeds of Certificate of Participation (COPS)	-	546,120,000	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	82,000,000	572,120,737	-	-	(11,211,057)	-	-	7,000,000	-	-
Net Change in Fund Balance	\$ 51,553,745	\$ 484,878,020	\$ (64,034,356)	\$ 78,851,320	\$ (42,947,496)	\$ (285,168,448)	\$ (37,298,016)	\$ (10,331,618)	\$ (27,210,219)	\$ (12,194,419)
Debt Service as a percentage of noncapital expenditures ¹	2.66%	26.02%	8.42%	8.51%	9.57%	11.11%	13.28%	13.36%	13.85%	14.45%

Notes: At the beginning of fiscal year 2012 the District reorganized its resource area and major program structure.

Beginning in fiscal year 2012 the District changed its method of recording indirect cost recovered and these amounts are netted against the original associated costs.

Beginning in fiscal year 2010 the District established an internal service fund to account for worker's compensation, auto and general liability insurance. As such, premium revenues are now reported in the Self-Insurance Fund.

The increase in the debt service ratio in fiscal year 2007 is due to the issuance of Certificates of Participation (COPS), Series 2006, in the amount of \$546,120,000. Details regarding the District's outstanding debt can be found in Note 10 of the financial statements.

¹ For purposes of calculating debt service as a percentage of noncapital expenditures, noncapital expenditures excludes expenditures that are classified as capital outlay on the government-wide financial statements, which may be different than those shown above. The noncapital expenditure amount used in the calculation is determined by subtracting the capital outlay amount shown on the Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities (see page III-11) from the total expenditure amount shown above.

Schedule 5
South Florida Water Management District
Revenues by Source
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)

	Fiscal Year									
	2005	2007	2008	2009	2010	2011	2012	2013	2014	2015
Property Taxes	\$ 376,053,364	\$ 549,849,748	\$ 548,747,480	\$ 520,754,080	\$ 454,702,214	\$ 400,551,714	\$ 273,150,566	\$ 268,486,810	\$ 269,227,569	\$ 269,056,878
Agricultural Privilege Taxes	12,349,728	11,661,037	11,262,609	11,675,508	11,678,158	11,064,462	11,507,721	11,593,566	11,439,721	11,080,857
Intergovernmental	301,439,509	204,806,608	286,478,999	97,309,268	92,069,137	67,888,578	44,507,437	37,455,441	85,611,812	103,360,352
Investment Earnings	7,976,081	47,506,507	37,834,818	28,483,350	14,404,749	13,108,606	8,294,234	353,207	5,890,856	7,852,547
Licenses, Permits & Fees	5,999,113	8,113,937	5,507,593	6,538,332	10,989,204	8,166,854	12,419,372	23,167,967	25,641,882	24,544,820
Leases	3,996,809	4,647,111	5,659,901	2,904,055	2,443,466	3,915,752	4,324,913	4,026,744	4,628,753	4,372,061
Other	31,320,670	20,735,685	14,595,390	20,950,128	8,982,693	8,184,850	1,467,117	1,372,478	2,269,699	9,555,198
Total	\$ 739,135,274	\$ 847,320,633	\$ 910,086,790	\$ 688,614,721	\$ 595,269,621	\$ 512,880,816	\$ 355,671,360	\$ 346,456,213	\$ 404,710,292	\$ 429,822,713

Schedule 6
South Florida Water Management District
Property Tax Revenue by County
 Last Ten Fiscal Years
 (in Thousands)

Fiscal Year	Broward	Charlotte *	Collier	Miami-Dade	Glades	Hendry	Highlands *	Lee
2006	\$ 89,586 19.59%	\$ 105 0.02%	\$ 31,274 6.84%	\$ 116,767 25.54%	\$ 366 0.08%	\$ 2,834 0.62%	\$ 380 0.08%	\$ 43,411 9.49%
2007	105,682 18.82%	117 0.02%	39,245 6.99%	139,563 24.85%	513 0.09%	3,232 0.58%	672 0.12%	60,215 10.72%
2008	106,200 18.96%	222 0.04%	38,430 6.86%	145,653 26.01%	449 0.08%	3,103 0.55%	555 0.10%	58,010 10.36%
2009	101,545 19.07%	96 0.02%	36,569 6.87%	143,415 26.94%	410 0.08%	2,900 0.54%	536 0.10%	50,973 9.57%
2010	88,823 19.05%	83 0.02%	32,370 6.94%	129,243 27.71%	384 0.08%	2,746 0.59%	470 0.10%	39,242 8.41%
2011	77,688 18.87%	72 0.02%	28,407 6.90%	113,386 27.55%	356 0.09%	2,593 0.63%	427 0.10%	33,482 8.13%
2012	52,960 18.61%	48 0.02%	19,370 6.80%	77,466 27.21%	251 0.09%	2,177 0.76%	276 0.10%	22,653 7.96%
2013	52,800 18.85%	46 0.02%	19,197 6.85%	75,463 26.94%	239 0.09%	2,175 0.78%	302 0.11%	22,142 7.91%
2014	52,312 18.64%	42 0.01%	19,217 6.85%	77,324 27.55%	217 0.08%	2,154 0.77%	276 0.10%	21,755 7.75%
2015	51,717 18.46%	38 0.01%	19,276 6.88%	77,758 27.76%	206 0.07%	1,820 0.65%	259 0.09%	21,819 7.79%

* Amounts represent property taxes only for the portion of the county that is within the District's boundaries.

Schedule 6
South Florida Water Management District
Property Tax Revenue by County
 Last Ten Fiscal Years
 (in Thousands)

Fiscal Year	Martin	Monroe	Okeechobee *	Orange *	Osceola *	Palm Beach	Polk *	St. Lucie	Total
2006	\$ 12,413 2.71%	\$ 14,678 3.21%	\$ 1,016 0.22%	\$ 22,945 5.02%	\$ 10,868 2.38%	\$ 98,021 21.45%	\$ 790 0.17%	\$ 11,809 2.58%	\$ 457,263 100.00%
2007	\$ 13,846 2.47%	\$ 17,907 3.19%	\$ 1,481 0.26%	\$ 28,104 5.01%	\$ 14,495 2.58%	\$ 118,700 21.14%	\$ 1,322 0.24%	\$ 16,416 2.92%	\$ 561,510 100.00%
2008	\$ 13,724 2.45%	\$ 17,254 3.08%	\$ 1,399 0.25%	\$ 29,268 5.23%	\$ 15,810 2.82%	\$ 112,805 20.15%	\$ 1,568 0.28%	\$ 15,560 2.78%	\$ 560,010 100.00%
2009	\$ 12,370 2.32%	\$ 15,932 2.99%	\$ 1,218 0.23%	\$ 29,852 5.61%	\$ 15,614 2.93%	\$ 106,580 20.02%	\$ 1,446 0.27%	\$ 12,974 2.44%	\$ 532,430 100.00%
2010	\$ 11,279 2.42%	\$ 13,614 2.92%	\$ 1,140 0.24%	\$ 26,985 5.79%	\$ 13,017 2.79%	\$ 95,642 20.51%	\$ 1,104 0.23%	\$ 10,238 2.20%	\$ 466,380 100.00%
2011	\$ 10,582 2.57%	\$ 11,915 2.89%	\$ 891 0.22%	\$ 24,122 5.86%	\$ 10,901 2.65%	\$ 86,691 21.06%	\$ 818 0.20%	\$ 9,285 2.26%	\$ 411,616 100.00%
2012	\$ 7,196 2.53%	\$ 7,928 2.79%	\$ 599 0.21%	\$ 16,950 5.95%	\$ 7,093 2.49%	\$ 62,997 22.13%	\$ 524 0.18%	\$ 6,170 2.17%	\$ 284,658 100.00%
2013	\$ 7,130 2.55%	\$ 7,871 2.81%	\$ 610 0.22%	\$ 16,681 5.96%	\$ 6,863 2.45%	\$ 62,021 22.13%	\$ 515 0.18%	\$ 6,025 2.15%	\$ 280,080 100.00%
2014	\$ 6,790 2.42%	\$ 7,649 2.73%	\$ 582 0.21%	\$ 16,676 5.94%	\$ 7,325 2.61%	\$ 61,656 21.95%	\$ 522 0.19%	\$ 6,170 2.20%	\$ 280,667 100.00%
2015	\$ 6,584 2.35%	\$ 7,447 2.66%	\$ 550 0.20%	\$ 16,876 6.02%	\$ 6,811 2.44%	\$ 62,556 22.33%	\$ 538 0.19%	\$ 5,883 2.10%	\$ 280,138 100.00%

* Amounts represent property taxes only for the portion of the county that is within the District's boundaries.

Schedule 7
South Florida Water Management District

Direct Property Tax Rates

Last Ten Fiscal Years

(Rate per \$1,000 of assessed value)

Year	Okeechobee Basin		Total	Big Cypress Basin		Total
	District	Basin		District	Basin	
2006	0.2840	0.4130	0.6970	0.2840	0.2425	0.5265
2007	0.2840	0.4130	0.6970	0.2840	0.2425	0.5265
2008	0.2549	0.3691	0.6240	0.2549	0.2265	0.4814
2009	0.2549	0.3691	0.6240	0.2549	0.2265	0.4814
2010	0.2549	0.3691	0.6240	0.2549	0.2265	0.4814
2011	0.2549	0.3691	0.6240	0.2549	0.2265	0.4814
2012	0.1785	0.2578	0.4363	0.1785	0.1633	0.3418
2013	0.1757	0.2532	0.4289	0.1757	0.1633	0.3390
2014	0.1685	0.2425	0.4110	0.1685	0.1593	0.3278
2015	0.1577	0.2265	0.3842	0.1577	0.1520	0.3097

Notes: Since South Florida Water Management District is a regional governmental unit, it is not reasonable to present overlapping property tax rates.

The reduction of property tax rates in fiscal year 2008 is a result of the passage of House Bill 1-B, which required a reduction in taxes by all local governments and special taxing districts.

The reduction of property tax rates in fiscal year 2012 is a result of the passage of Senate Bill 2142, which limited the total ad valorem taxes that could be levied by the District.

State law limits the combined District-at-Large and basin tax millage for each of the two basins at 0.8 mills (\$0.80 per \$1,000 of taxable value). The state constitutional limit is slightly higher at 1 mill (\$1.00 per \$1,000 of taxable value).

Source: South Florida Water Management District Budget Bureau.

Schedule 8
South Florida Water Management District
Property Tax Collections
 Last Ten Fiscal Years

Fiscal Year Ended Sept. 30	District Wide Tax Rate	Okeechobee Basin Tax Rate	Big Cypress Basin Tax Rate	Total Tax Levy	Collections within the Fiscal Year of the Levy		Collection of Prior Year Taxes ¹	Total Collections to Date	Percentage of Levy ²
					Percentage of Levy	Amount			
2006	0.2840	0.4130	0.2425	444,075,931	423,518,333	95.4%	2,090,550	425,608,883	95.8%
2007	0.2840	0.4130	0.2425	553,009,838	553,009,740	100.0%	3,623,093	558,459,133	101.0%
2008	0.2549	0.3691	0.2265	549,484,359	539,248,357	98.1%	5,829,932	545,078,289	99.2%
2009	0.2549	0.3691	0.2265	525,229,365	514,311,078	97.9%	5,256,004	519,567,082	98.9%
2010	0.2549	0.3691	0.2265	459,945,322	442,168,909	96.1%	11,526,724	453,695,633	98.6%
2011	0.2549	0.3691	0.2265	399,025,958	384,381,001	96.3%	18,915,088	403,296,089	101.1%
2012	0.1785	0.2578	0.1633	270,685,220	268,398,410	99.2%	6,535,361	274,933,771	101.6%
2013	0.1757	0.2532	0.1633	268,114,920	261,778,333	97.6%	4,988,476	266,766,809	99.5%
2014	0.1685	0.2425	0.1593	267,142,178	265,299,466	99.3%	4,019,743	269,319,209	100.8%
2015	0.1577	0.2265	0.1520	265,935,610	267,424,328	100.6%	1,233,280	268,657,608	101.0%

NOTE: During fiscal year 2009 tax collections were received at a slower rate than typical, which caused an increase of prior year's cash collections in fiscal year 2010.

¹ Reflects taxes collected during the year that were levied in prior years. Not all tax collectors provide information sufficient to distinguish prior year tax collections by year that the tax was levied.

² Includes taxes collected for the current year levy plus collections of taxes that were levied in prior years. As such collections could be greater than 100% of the taxes levied during the year.

Schedule 9
South Florida Water Management District
Taxable Property Values and Just Values of Taxable Property by County
 Current Fiscal Year

County	Just Value ¹	Taxable Value ²	Taxable Value as a percentage of Just Value
Broward	\$ 224,087,008,814	\$ 140,479,094,588	62.69%
Charlotte *	148,891,845	100,246,241	67.33%
Collier	90,999,965,960	64,394,793,700	70.76%
Glades	3,234,261,272	549,389,706	16.99%
Hendry	5,361,098,890	1,764,129,106	32.91%
Highlands *	1,036,713,221	683,575,219	65.94%
Lee	87,338,998,450	57,901,312,000	66.29%
Martin	26,387,345,321	17,668,996,978	66.96%
Miami-Dade	345,348,235,999	212,018,000,000	61.39%
Monroe	31,459,482,260	20,127,178,145	63.98%
Okeechobee *	2,586,417,026	1,385,900,000	53.58%
Orange *	66,003,943,901	45,091,108,304	68.32%
Osceola *	30,893,037,608	17,452,840,011	56.49%
Palm Beach	217,610,910,675	139,188,200,477	63.96%
Polk *	2,203,994,198	1,434,112,135	65.07%
St. Lucie	25,665,201,528	15,742,263,932	61.34%
	\$ 1,160,365,506,968	\$ 735,981,140,542	63.43%

* County is only partially within the District's boundaries.

¹ Source: Florida Department of Revenue, Florida Property Valuations and Tax Data Book. Partial county just value is calculated based on the percentage of taxable value that is within the District's boundaries compared to the taxable value of the whole county.

Just value is a legal synonym for "full cash value" or "fair market value".

² Source: South Florida Water Management District Budget Department, FY 2015 Budget.

Taxable value is defined as assessed value which has been adjusted for any exemptions provided by the State Constitution.

Schedule 10
South Florida Water Management District
Taxable Value of Property
 Last Ten Fiscal Years

Fiscal Year	Property			Total	District			Okeechobee Basin			Total Direct Tax Rate ⁵		
	Real Property ¹	Personal Property ²	Centrally Assessed Property ³		Tax Rate ⁴	Tax Rate ⁴	Tax Rate ⁴	Tax Rate ⁴	Tax Rate ⁴	Tax Rate ⁴	Tax Rate ⁴	Tax Rate ⁴	Tax Rate ⁵
2006	\$ 639,271,283,210	\$ 39,061,362,113	\$ 270,717,328	\$ 678,603,362,651	2.84	2.84	4.13	2.84	4.13	2.84	4.13	6.97	
2007	803,519,922,519	41,423,176,998	284,238,697	845,227,338,214	2.84	2.84	4.13	2.84	4.13	2.84	4.13	6.97	
2008	892,858,395,941	42,892,968,298	300,886,190	936,052,250,429	2.55	2.55	3.69	2.55	3.69	2.55	3.69	6.24	
2009	853,857,161,850	40,515,829,852	369,348,354	894,742,340,056	2.55	2.55	3.69	2.55	3.69	2.55	3.69	6.24	
2010	742,675,388,669	40,715,092,253	399,210,940	783,789,691,862	2.55	2.55	3.69	2.55	3.69	2.55	3.69	6.24	
2011	645,555,800,822	41,283,680,011	312,424,992	687,151,905,825	1.79	1.79	2.58	1.79	2.58	1.79	2.58	4.37	
2012	625,090,457,818	40,201,298,218	323,038,790	665,614,794,826	1.76	1.76	2.53	1.76	2.53	1.76	2.53	4.29	
2013	628,500,005,272	41,359,190,647	347,320,003	670,206,515,922	1.69	1.69	2.43	1.69	2.43	1.69	2.43	4.12	
2014	650,125,288,770	44,379,393,336	374,049,428	694,878,731,534	1.58	1.58	2.27	1.58	2.27	1.58	2.27	3.85	
2015	694,842,337,568	45,776,571,365	404,691,347	741,023,600,280									

Note:

Since the District applies its tax rates to the taxable value of property, the taxable value has been shown in this schedule. Taxable value is defined as assessed value which has been adjusted for any exemptions provided by the State Constitution. Valuations are as of January 1 on the calendar year preceding the applicable District fiscal year.

- ¹ Real property refers to land, land improvements, and any buildings or structures located on the land.
- ² Personal property includes property that can be moved from one location to another.
- ³ Centrally assessed property generally refers to properties that are assessed as a whole unit. A railroad is an example of centrally assessed property.
- ⁴ Tax rates are per \$1,000 of assessed value.
- ⁵ Tax rates are per \$1,000 of assessed value. Total direct tax rate represents the rate in 15 of the District's 16 counties. Collier County is the District's only county which is not geographically located in the Okeechobee Basin.

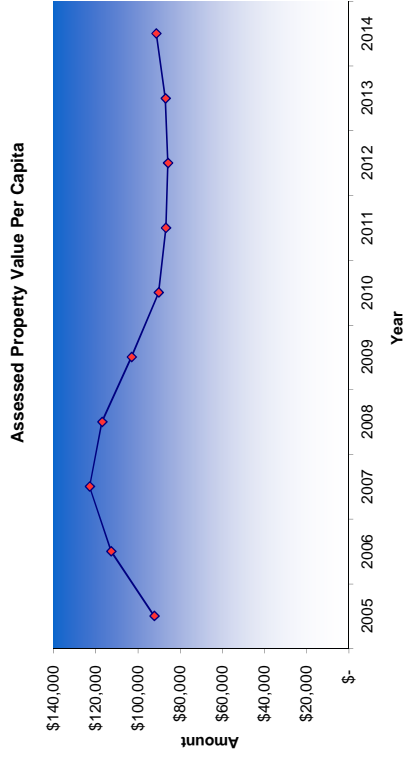
Source: South Florida Water Management District Budget Bureau, Form DR-420s.

Schedule 11
South Florida Water Management District
Assessed Value Per Capita
 Last Ten Calendar Years

	Calendar Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Assessed Property Value ¹ (in Billions)	\$ 678.6	\$ 845.2	\$ 936.1	\$ 894.7	\$ 783.8	\$ 687.2	\$ 665.6	\$ 670.2	\$ 694.9	\$ 741.0
District Population ²	7,359,652	7,504,525	7,617,705	7,648,679	7,609,852	7,615,667	7,669,381	7,811,608	7,986,730	8,114,014
Assessed Property Value Per Capita	\$ 92.205	\$ 112.625	\$ 122.885	\$ 116.974	\$ 102.998	\$ 90.235	\$ 86.787	\$ 85.795	\$ 87.007	\$ 91.323

¹ Assessed value is as of January 1st for real, personal and centrally assessed property located within the boundaries of the District.

² Population data is from The Office of Economic & Demographic Research and has been adjusted for counties with boundaries only partially within the District.



Schedule 12
South Florida Water Management District
Principal Property Tax Payers
 Current Year and Nine Years Prior

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Florida Power & Light Company	\$ 17,854,962,776	1	2.43%	\$ 6,331,743,321	1	0.93%
Walt Disney Company	8,784,978,850	2	1.19%	6,194,118,181	2	0.91%
Duke Energy	2,110,425,830	3	0.29%	1,565,314,671	3	0.23%
Universal Studios	2,100,000,000	4	0.29%	580,584,834	7	0.09%
Marriott Corporation	1,600,000,000	5	0.22%	396,000,000	10	0.06%
Westgate Resorts	1,398,069,012	6	0.19%	1,001,813,446	6	0.15%
Hilton Corporation	1,200,000,000	7	0.16%	1,401,827,566	4	0.21%
Publix Supermarkets Inc.	1,124,801,644	8	0.15%			
BellSouth Telecommunications Inc	1,006,486,877	9	0.14%	1,261,567,853	5	0.19%
Hyatt Resort	947,200,000	10	0.13%			
Florida Power Corporation ¹	-		-	572,654,709	8	0.08%
R H Resorts/Rosen Hotels	-		-	418,720,980	9	0.06%
Totals	<u>\$ 38,126,924,989</u>		<u>5.19%</u>	<u>\$ 19,724,345,561</u>		<u>2.91%</u>

Notes: Amounts represent assessed value as of January 1 of the year presented. The amounts shown reflect county totals even though some counties may only partially be within the District's boundaries.

The earliest year for which this data is available is fiscal year 2006. As such, 2006 will be the base year for comparison.

¹ Florida Power Corporation now operates as Duke Energy.

Source: Data was obtained from the Tax Collector or Property Appraiser for the sixteen counties that are included in South Florida Water Management District's geographical boundaries.

Schedule 13
South Florida Water Management District
Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years

Fiscal Year Ended Sept. 30	Governmental Activities										Total Outstanding Debt	Percentage of Personal Income ³	Per Capita ⁴	Percentage of Assessed Value ⁵
	Land Acquisition Bonds - WMLTF ²	Land Purchases Payable	Capital Leases	Bank Loans	Certificates of Participation	Land	Capital Leases	Bank Loans	Certificates of Participation	Land				
2006 ¹	\$ 57,758,545	\$ 77,679,516	\$ 1,863,645	\$ 97,878,527	-	-	-	-	-	-	\$ 235,180,233	0.0858%	\$ 31.34	0.0347%
2007	52,025,278	40,219,445	895,678	11,031,537	568,849,724	-	-	-	-	-	673,021,662	0.2347%	88.35	0.0796%
2008	47,361,563	40,910,434	393,491	7,783,160	561,239,106	-	-	-	-	-	657,687,754	0.2235%	85.99	0.0703%
2009	42,022,941	-	200,330	5,950,678	550,476,399	-	-	-	-	-	598,650,348	0.2025%	78.67	0.0669%
2010	36,642,406	-	-	4,118,196	539,399,546	-	-	-	-	-	580,160,148	0.1965%	76.18	0.0740%
2011	31,098,466	-	-	1,142,847	528,053,493	-	-	-	-	-	560,294,806	0.1806%	73.06	0.0815%
2012	25,308,815	-	-	-	516,359,621	-	-	-	-	-	541,668,436	0.1619%	69.34	0.0814%
2013	19,333,395	-	-	-	504,232,927	-	-	-	-	-	523,566,322	0.1554%	66.34	0.0781%
2014	13,138,839	-	-	-	491,760,427	-	-	-	-	-	504,899,266	0.1448%	63.22	0.0727%
2015	6,705,000	-	-	-	478,826,841	-	-	-	-	-	485,531,841	0.1332%	59.84	0.0655%

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

¹ During fiscal year 2006, the District utilized short-term bank financing.

² WMLTF stands for Water Management Lands Trust Fund.

³ Refer to Schedule 15 for personal income information.

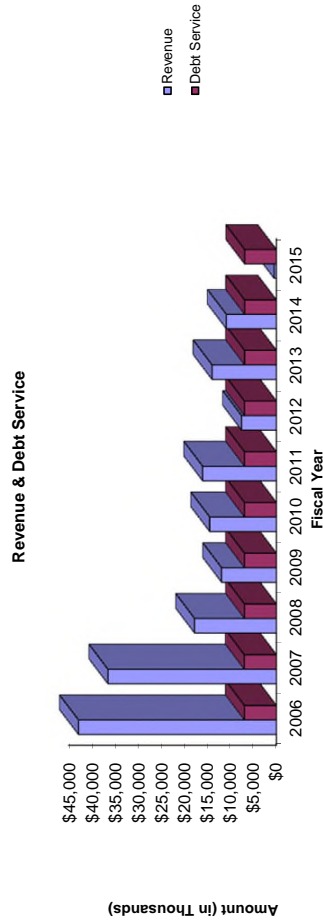
⁴ Refer to Schedule 15 for population information.

⁵ Refer to Schedule 10 for assessed value information.

Schedule 14
South Florida Water Management District
Pledged-Revenue Bond Coverage
 Last Ten Fiscal Years

Fiscal Year	Revenue				Debt Service				Coverage Ratio
	Documentary Stamp Taxes	Civil Penalties	Allocated Interest Income	Total Revenue	Principal	Interest	Total Debt Service		
2006	\$ 40,437,784	\$ 556,170	\$ 1,829,897	\$ 42,823,851	\$ 4,500,000	\$ 2,444,126	\$ 6,944,126	6.17	
2007	34,619,597	810,573	1,042,873	36,473,043	4,660,000	2,303,401	6,963,401	5.24	
2008	15,193,803	1,037,381	1,507,927	17,739,111	4,785,000	2,143,086	6,928,086	2.56	
2009	10,909,497	450,011	522,616	11,882,124	4,975,000	1,940,171	6,915,171	1.72	
2010	13,972,497	46,147	437,404	14,456,048	5,190,000	1,722,396	6,912,396	2.09	
2011	15,760,042	12,956	208,320	15,981,318	5,415,000	1,489,721	6,904,721	2.31	
2012	7,354,939	20,000	183,055	7,557,994	5,655,000	1,265,749	6,920,749	1.09	
2013	13,775,608	18,081	168,925	13,962,614	5,865,000	1,035,786	6,900,786	2.02	
2014	10,652,283	24,835	175,378	10,852,496	6,120,000	768,598	6,888,598	1.58	
2015	226,449	86,500	167,716	480,665	6,400,000	474,200	6,874,200	0.07	

Source: Florida Department of Environmental Protection, Water Management Lands Trust Fund, Bureau of Finance and Accounting Contracts Disbursements Section and District accounting records.



Schedule 15
South Florida Water Management District
Demographic and Economic Statistics
 Last Ten Calendar Years

Calendar Year	Population ¹	Personal Income (in thousands) ²	Per Capita Personal Income	School Enrollment K - 12 ³	Unemployment Rate ⁴
2006	7,504,525	\$ 274,090,198	\$ 36,523	1,124,773	3.4%
2007	7,617,705	286,718,796	37,638	1,082,297	4.4%
2008	7,648,679	294,230,623	38,468	1,071,876	6.1%
2009	7,609,852	295,589,133	38,843	1,073,728	10.6%
2010	7,615,667	295,290,827	38,774	1,084,184	11.7%
2011	7,669,381	310,253,970	40,454	1,096,048	10.5%
2012	7,811,608	334,574,240	42,830	1,109,444	8.7%
2013	7,891,851	336,889,341	42,688	1,122,567	7.4%
2014	7,986,730	348,572,876	43,644	1,136,965	6.3%
2015	8,114,014	364,515,086	44,924	1,149,334	5.4%

Note: Data has been adjusted for counties with boundaries only partially within the District.

¹ Population data is from The Office of Economic & Demographic Research. See Schedule 16 for details on population.

² Source: Regional Economic Information System, Bureau of Economic Analysis, US Department of Commerce. Final data for calendar year 2015 is currently unavailable. The figure shown for calendar year 2015 estimates 4th quarter results as an average of the first three quarters. Fiscal year 2014 data has been updated using final figures.

³ Student enrollment data is obtained from the Florida Department of Education. Enrollment figures are based on the fall enrollment number for the calendar year specified.

⁴ Source: Bureau of Labor Statistics - <http://www.bls.gov/lau/home>.

Schedule 16
South Florida Water Management District
District Population by County
 Last Ten Calendar Years

	Calendar Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Broward	1,753,162	1,765,707	1,758,494	1,744,922	1,742,891	1,748,066	1,771,099	1,784,715	1,803,903	1,827,367
Charlotte *	802	823	6,300	6,287	6,302	6,079	6,208	6,220	6,250	6,351
Collier	326,658	333,858	332,854	333,032	333,554	321,520	329,849	333,663	336,783	343,802
Miami-Dade	2,437,022	2,462,292	2,477,289	2,472,344	2,476,289	2,496,435	2,551,290	2,582,375	2,613,692	2,653,934
Glades	10,796	11,055	11,323	11,311	11,330	12,884	12,671	12,658	12,852	12,853
Henry	38,678	39,651	41,216	41,320	41,026	39,140	38,132	37,808	37,895	38,096
Highlands *	9,957	10,169	8,718	8,675	8,677	8,594	8,609	8,621	8,684	8,765
Lee	585,608	615,741	623,725	615,124	616,626	618,754	638,029	643,367	653,485	665,845
Martin	142,645	143,737	143,868	143,856	143,848	146,318	147,203	148,077	148,585	150,062
Monroe	80,510	78,987	76,081	77,925	78,150	73,090	72,897	73,560	74,044	74,206
Okeechobee *	37,893	38,249	39,203	38,909	38,918	39,196	39,009	38,967	39,031	39,251
Orange *	269,881	276,401	269,825	268,349	268,860	277,321	284,578	291,121	297,175	303,080
Osceola *	255,135	265,325	270,972	270,060	270,541	265,998	278,057	285,477	292,597	305,244
Palm Beach	1,287,987	1,295,033	1,294,654	1,287,344	1,286,778	1,320,134	1,335,415	1,345,652	1,360,238	1,378,417
Polk *	8,476	8,716	17,572	17,530	17,514	18,063	18,207	18,419	18,695	18,992
St. Lucie	259,315	271,961	276,585	272,864	274,363	277,789	280,355	281,151	282,821	287,749
Total	7,504,525	7,617,705	7,648,679	7,609,852	7,615,667	7,669,381	7,811,608	7,891,851	7,986,730	8,114,014

* County is only partially within the District's boundaries. Population is prorated based on estimated population within the geographic boundaries of the District.

Source: The Office of Economic & Demographic Research - Florida Demographic Database (2004 - 2010).
 Source: University of Florida, Bureau of Economic and Business Research (2011-2015).

Schedule 17
South Florida Water Management District
Employment Data
 Last Ten Calendar Years

Calendar Year	Total Labor Force	Employed	Unemployed	Unemployment Rate (%)
1998	3,183,440	3,002,151	181,289	6.2
1999	3,219,175	3,058,775	160,400	4.9
2000	3,340,194	3,197,811	142,383	4.3
2001	3,417,293	3,243,669	173,624	5.1
2003	3,520,975	3,325,940	195,035	5.5
2004	3,600,708	3,422,407	178,301	5.0
2005	3,714,548	3,564,785	149,763	4.0
2006	3,815,337	3,686,457	128,880	3.4
2007	3,855,439	3,685,668	169,771	4.4
2008	3,844,561	3,610,123	234,438	6.1
2009	3,844,536	3,438,418	406,118	10.6
2010	3,876,208	3,423,749	452,459	11.7
2011	3,857,912	3,454,296	403,616	10.5
2012	3,973,042	3,629,273	343,769	8.7
2013	4,017,108	3,720,853	296,255	7.4
2014 ¹	4,090,424	3,833,179	257,245	6.3
2015 ²	4,085,941	3,863,088	222,853	5.4

Note: Data has been adjusted for counties with boundaries only partially within the District.

¹ Figures have been updated to reflect revised inputs and reestimation.

² Final data for the calendar year 2015 is currently not available. The 2015 figures are based on the yearly average, final data from January through November and preliminary data for December 2015.

Source: Bureau of Labor Statistics - <http://www.bls.gov/lau/home>.

Schedule 18
South Florida Water Management District
Ten Largest Employers within District Boundaries
 Prior Calendar Year and Nine Years Prior

2014				2005			
Employers	Rank	Number of Employees	% of Total Employment	Employers	Rank	Number of Employees	% of Total Employment
Miami-Dade County Public Schools	1	33,477	0.9%	Miami-Dade County Public Schools	1	50,000	1.4%
Broward County School Board	2	31,174	0.8%	Broward County School Board	2	36,853	1.0%
Miami-Dade County	3	25,502	0.7%	Miami-Dade County	3	30,000	0.8%
Walt Disney World Co.	4	25,000	0.7%	Palm Beach County School Board	4	21,618	0.6%
University of California, Irvine	5	22,253	0.6%	Walt Disney World Co.	5	21,000	0.6%
Palm Beach County School Board	6	21,449	0.6%	County of Orange	6	17,597	0.5%
County of Orange	7	18,035	0.5%	University of California, Irvine	7	15,500	0.4%
Polk County School Board	8	13,800	0.4%	Broward County Government	8	12,817	0.4%
St. Joseph Health System	9	12,062	0.3%	Polk County School Board	9	12,200	0.3%
Broward County Government	10	11,490	0.3%	Boeing Co	10	11,160	0.3%
Total		214,242	5.8%	Total		228,745	6.3%
Total Employment in District Boundaries		3,833,179		Total Employment in District Boundaries		3,564,785	

Notes: Schedule excludes any county partially within the District boundaries that contributes less than 1% of total property tax revenue. Employers located in partial counties are scheduled at full employee count. Schedule excludes federal and state employees.

Source: Individual County Comprehensive Annual Financial Reports, where available.
 Employment detail for 2014 is shown on Schedule 17.

Schedule 19
South Florida Water Management District
Authorized Positions per 100,000 Population
Last Ten Calendar Years

	Calendar Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Number of Authorized Positions ¹	1,771	1,784	1,808	1,828	1,842	1,933	1,651	1,620	1,588	1,528
Population ²	7,504,525	7,617,705	7,648,679	7,609,852	7,615,667	7,669,381	7,811,608	7,891,851	7,986,730	8,114,014
Authorized Positions per 100,000 Population	24	23	24	24	24	25	21	21	20	19

¹ Number of authorized positions is a measurement utilized for budgeting purposes that includes both filled positions and planned positions. Each authorized position is equal to one full-time employee.

² Population data is from The Office of Economic & Demographic Research and has been adjusted for counties with boundaries only partially within the District. Details regarding population figures can be found on Schedule 16.

Schedule 20
South Florida Water Management District
District Employees by Resource Area and Major Program
 Current Fiscal Year

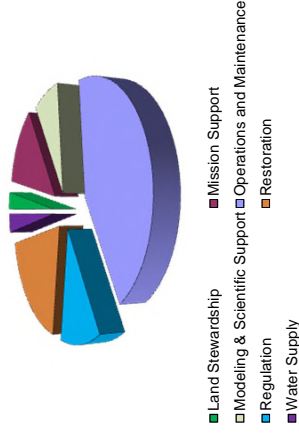
Resource Area / Major Program	Number of Employees per Program ¹	Percentage of Employees per Resource Area	Percentage of Employees District-wide
Administrative Services and Executive Offices			
Land Stewardship	8	2.42%	0.57%
Mission Support	166	50.30%	11.93%
Modeling and Scientific Support	17	5.15%	1.22%
Operations and Maintenance	64	19.39%	4.59%
Regulation	20	6.06%	1.44%
Restoration	53	16.06%	3.80%
Water Supply	2	0.62%	0.14%
Administrative Services and Executive Offices Total	330	100.00%	23.69%
Operations, Maintenance, and Construction			
Land Stewardship	31	4.45%	2.23%
Mission Support	12	1.72%	0.86%
Modeling and Scientific Support	11	1.58%	0.79%
Operations and Maintenance	527	75.73%	37.83%
Regulation	3	0.43%	0.22%
Restoration	111	15.96%	7.97%
Water Supply	1	0.14%	0.07%
Operations, Maintenance, and Construction Total	696	100.00%	48.97%
Regulation			
Regulation	135	88.24%	9.70%
Restoration	18	11.76%	1.28%
Regulation Total	153	100.00%	10.98%
Water Resources			
Modeling and Scientific Support	80	37.38%	5.74%
Restoration	94	43.93%	6.75%
Water Supply	40	18.69%	2.87%
Water Resources Total	214	100.00%	15.36%
District Total	1,393		100.00%

¹ Number of employees includes all filled positions (including shared positions) at the end of the fiscal year.

Schedule 21
South Florida Water Management District
District Employees by Major Program
 Last Nine Fiscal Years

Major Program	Fiscal Year								
	2007	2008	2009	2010	2011	2012	2013	2014	2015
Land Stewardship	47	50	46	43	37	38	43	41	39
Mission Support	427	438	445	445	321	284	214	195	178
Modeling & Scientific Support	121	114	121	124	113	102	109	109	108
Operations and Maintenance	575	603	601	615	573	625	643	612	591
Regulation	179	189	182	193	167	178	182	171	158
Restoration	332	340	338	331	320	294	301	280	276
Water Supply	61	62	61	53	36	46	52	49	43
District Total	1,742	1,796	1,794	1,804	1,567	1,567	1,544	1,457	1,393

District Employees by Major Program
Current Fiscal Year



Notes: During fiscal year 2012 the District reorganized its resource area and major program structure. The prior year's data has been adjusted to present the data in the current fiscal year's structure.
 During fiscal year 2006 the District underwent a major reorganization, affecting the resource area and major program structure. Due to that restructuring, information will be provided for fiscal year 2006 and forward.

Schedule 22
South Florida Water Management District
Permit Applications Received
 Last Ten Fiscal Years

Permit Category	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Environmental Resource	2,706	2,229	1,673	1,423	1,917	1,656	2,232	2,094	2,114	2,392
Consumptive Use	2,503	3,806	3,037	2,638	2,818	2,144	1,970	1,737	1,964	2,020
SWIM & Everglades Works Of The District	78	51	12	4	5	26	33	6	14	16
Total Applications Received	<u>5,287</u>	<u>6,086</u>	<u>4,722</u>	<u>4,065</u>	<u>4,740</u>	<u>3,826</u>	<u>4,235</u>	<u>3,837</u>	<u>4,092</u>	<u>4,428</u>

Note: During fiscal year 2010 the District began to include minor permit application activities as workload indicators. This change in process also changed how permit applications are counted by the District. The permit application data shown has been adjusted retroactively to reflect this change.

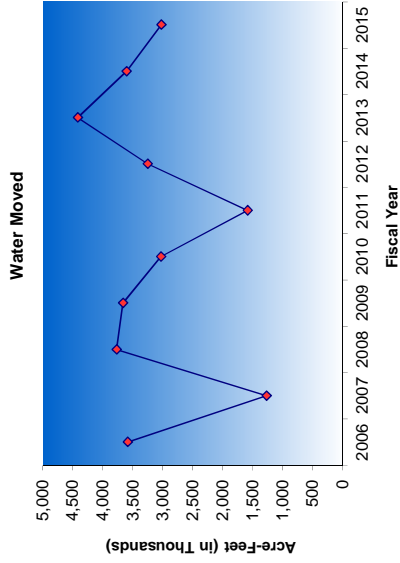
Source: Regulation Division of South Florida Water Management District.

Schedule 23
South Florida Water Management District
Water Moved by District Pump Stations
 Last Ten Fiscal Years

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Acre-Feet (Thousands)	3,583	1,272	3,768	3,660	3,032	1,584	3,254	4,419	3,604	3,023

Note: The decrease in fiscal years 2007 and 2011 is due to severe drought conditions experienced in South and Central Florida during those years.

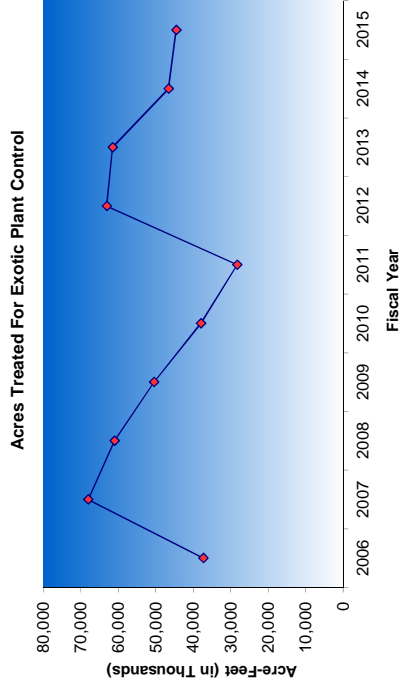
Source: Operations, Engineering & Construction Division of South Florida Water Management District.



Schedule 24
South Florida Water Management District
Exotic Plant Control
 Last Ten Fiscal Years

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Acres treated	37,350	68,053	61,070	50,538	38,015	28,284	63,111	61,489	46,580	44,525

Source: Land Stewardship Section of South Florida Water Management District.

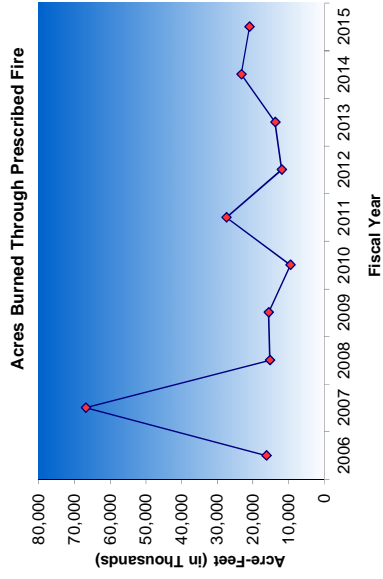


Schedule 25
South Florida Water Management District
Prescribed Burns
 Last Ten Fiscal Years

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Acres burned	16,211	66,825 *	15,283	15,609	9,523	27,479	12,010	13,794	23,262	21,038

* During fiscal year 2007, over 55,000 acres were burned in Lake Okeechobee as a suppression tool to combat wildfires.

Source: Land Stewardship Section of South Florida Water Management District.



Schedule 26
South Florida Water Management District
Stormwater Treatment
Last Ten Water Years

	Water Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Metric tons of phosphorus removed	300	200	100	400	300	300	260	210	312	278

Notes: The District is directed by the Everglades Forever Act to reduce phosphorus levels from storm runoff and other sources before it enters the Everglades Protection Area. These reductions, which began in 1994, are achieved through Stormwater Treatment Areas (STA) and Best Management Practices.

A water year is the period from May 1 through April 30.

Source: South Florida Water Management District Environment Report.

Schedule 27
South Florida Water Management District
Capital Assets by Major Program
Current Fiscal Year

Major Program	Land	Intangibles- Not Depreciated	Construction In Process	Canals & Levees	Buildings	Intangibles- Depreciated	Equipment	Improvements	Water Control Structures	Total
Land Stewardship	\$ 935,164,154	\$ 26,726,606	\$ 1,886,041	\$ 28,837,293	\$ 1,011,055	\$ -	\$ 806,553	\$ 3,457,170	\$ 800,273	\$ 998,689,145
Mission Support	1,523	-	-	-	25,505,442	3,303,834	6,538,233	979	-	35,350,011
Modeling & Scientific Support	-	-	-	-	11,382,499	87,328	853,828	-	-	12,323,655
Operations & Maintenance	15,418,175	1,014,803	55,025,709	374,136,951	37,799,545	4,162,746	14,509,827	3,166,862	326,167,292	831,401,910
Regulation	-	-	-	-	-	575,914	282,337	-	-	858,251
Restoration	1,625,001,314	44,999,867	490,094,846	299,380,166	8,046,414	2,510,665	13,227,338	7,174,107	481,933,545	2,972,368,262
Water Supply	-	-	-	-	-	-	137,316	-	2,571,558	2,708,874
District Total	\$ 2,575,585,166	\$ 72,741,276	\$ 547,006,596	\$ 702,354,410	\$ 83,744,955	\$ 10,640,487	\$ 36,355,432	\$ 13,799,118	\$ 811,472,668	\$ 4,853,700,108

Note: At the beginning of fiscal year 2012 the District's programs were restructured. All restructuring has been adjusted for in the schedule.

Source: Capital asset records of South Florida Water Management District.



This Page has been Intentionally Left Blank

DISCLOSURE SECTION

S.E.C. RULE 15c2-12 DISCLOSURES

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

CONTINUING ANNUAL AND EVENT DISCLOSURES

The following disclosures comply with amendments of the Securities and Exchange Commission (SEC) Rule 15c2-12 (b)(5)(i)(A) to (D). Effective in 1995, the amendments required municipal bond underwriters to gain reasonable assurance from bond issuers that they will provide annual information and notices of material events for disclosure to the secondary bond market. To enter the bond market, the District and other issuers of state and local government securities are indirectly affected by these amendments. We are using this section of the District's Comprehensive Annual Financial Report to comply with our continuing disclosure agreement.

DISTRICT AGREEMENT AND EFFECTIVE DATES

In respective Bond Resolutions, the District agreed to provide continuing disclosure of annual information and notices of material events upon issuing its

- Special Obligation Land Acquisition Refunding Bonds, Series 2002,
- Special Obligation Land Acquisition Refunding Bonds, Series 2003, and
- Certificates of Participation, Series 2006.

SUMMARY OF CONTINUING BOND DISCLOSURE REQUIREMENTS				
Recipient	Annual Financial Information	Audited Annual Financial Statements	Notice of Material Events	Notice of Failure to Provide Annual Financial Information
	SEC Rule 15c2-12 (b)(5)(i)(A)	SEC Rule 15c2-12 (b)(5)(i)(B)	SEC Rule 15c2-12 (b)(5)(i)(C)	SEC Rule 15c2-12 (b)(5)(i)(D)
	Effective FYE (1) After Jan. 1, 1996	Effective FYE (1) After Jan. 1, 1996	Effective July 3, 1995	Effective April 1 After FYE (1)
Each NRMSIR (2) or the MSRB (3)			X	X
Each NRMSIR (2)	X	X		
Paying Agent (4)	X	X	X	X
Underwriters (4)	X	X	X	X
(1) For the District, the date first effective was for Fiscal Year Ended (FYE) September 30, 1996. (2) Nationally Recognized Municipal Securities Information Repository. (3) Municipal Securities Rulemaking Board. (4) Required under Governing Board Resolution 95-28, Section 24, in connection with the issuance of the Special Obligation Land Acquisition Refunding Bonds, Series 1995.				

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

ANNUAL FINANCIAL INFORMATION

SEC Rule 15c2-12(b)(5)(i)(A) requires annual financial information and operating data that are generally consistent with the presentation included in the Official Statements for each bond issue. The following paragraphs summarize the “Security for the Bonds” and the “Security for the Certificates” appearing in the Official Statements. Subsequent paragraphs, tables, and exhibits contain the required financial information and operating data to include:

- pledged revenues,
- funding and allocation of monies and deposits of the Trust Fund, and
- lease payments.

SECURITY FOR THE BONDS

The Bonds are secured by a first lien on and payable solely from the “Pledged Revenues” as provided in the Bond Resolution.

The Bonds are limited obligations of the District. As such, the District, the State of Florida, or any public body in the State shall not:

- pledge its full faith and credit to the payment of bond principal, interest or premium; or
- directly or indirectly be contingently obligated to levy any taxes or to make any appropriation for payment except from the pledged revenues for debt service on the Bonds.

Pledged Revenues consist of all monies collected, allocated to the District, and deposited in the Lands Acquisition Trust Fund (the “Trust Fund”) which consist of:

- a share of the Documentary Stamp Tax,
- funds from the sale or other disposition of land, water areas, or related resources acquired on or after July 1, 2015,
- investment earnings.

The pledged revenues equally and ratably secure the Series 2002 and 2003 Bonds. The Florida Department of Environmental Protection maintains the Trust Fund.

DOCUMENTARY STAMP TAX

The State of Florida imposes an excise tax on documents (the “Documentary Stamp Tax”). Under current law, the Documentary Stamp Tax is levied upon certain instruments whereby interests in real property are conveyed, original issues of stock, bonds and debentures issued in the State of Florida, promissory notes or other written obligations to pay money, and mortgages recorded in the State of Florida. In general, the amount of the Documentary Stamp Tax due with respect to an instrument is based upon the amount of indebtedness evidenced or secured thereby, or in the case of documents transferring interests in property, upon the consideration for the transfer, or, in the case of stocks and bonds, upon the face value or actual value thereof.

The Documentary Stamp Tax is collected by the Florida Department of Revenue (DOR) and by the Clerks of the Circuit Courts of the counties in Florida on behalf of the DOR. The Documentary Stamp Tax is distributed, for various purposes, pursuant to a statutorily-prescribed formula.

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

Under current law, the DOR distributes the Documentary Stamp Tax collections and investment earnings, thereon, as follows:

- The first 8% to the State of Florida General Revenue Fund to pay a portion of the costs of general government.
- The costs of collection and enforcement of the Documentary Stamp Tax are deducted by and for the use of the Department of Revenue.
- A portion of the then remaining Documentary Stamp Tax collections (including investment earnings) are required to be deposited in the Trust Fund.

There is no assurance that the Florida Legislature will not change the percentage allocations to the General Fund, the Documentary Stamp Tax collections to the Trust Fund, or the percentage of the Trust Fund allocable to the District. Likewise, the Legislature could implement an appropriations bill affecting the distributions to the Trust Fund. Such changes, if made, could affect distributions to the Trust Fund. However, there exists an implied contract with the State to allocate sufficient documentary stamp revenues to cover debt service.

The following table illustrates the current and historical taxation rates and percentage distribution to the Trust Fund.

DOCUMENTARY STAMP TAX RATES AND TRUST FUND DISTRIBUTION			
Year Effective	Tax (Per \$100) Stocks/Bonds/Mortgages	Tax (Per \$100) Deeds	Percent to Trust Fund
1963	\$0.15	-	-
1981	\$0.15	\$0.45	7.20%
1985	\$0.15	\$0.50	9.80%
1987	\$0.15	\$0.55	9.20%
1990	\$0.32	\$0.55	6.90%
1991	\$0.32	\$0.60	6.56%
1992	\$0.35	\$0.70	5.84%
2001	\$0.35	\$0.70	4.20%

FUNDING AND ALLOCATION OF THE TRUST FUND

Deposits distributed to the Trust Fund began accruing to the District and the State's other four water management districts in August 1981. Under present law, moneys from the Trust Fund (net of DEP's administrative expenses) are applied as follows:

- First, to pay debt service or to fund debt service reserve funds, rebate obligations, or other amounts payable with respect to Florida Forever bonds and Everglades restoration bonds.
- Next, to pay debt service or to fund debt service reserve funds, rebate obligations, or other amounts payable with respect to bonds issued by the South Florida and St. Johns Water Management Districts.
- Then, to distribute \$32 million each fiscal year to the South Florida Water Management District for the Long-Term Plan.

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

USE OF THE TRUST FUND

Expenditure of moneys from the Trust Fund is limited to payment of debt service and the acquisition, management, maintenance and capital improvement costs of certain lands included within the District's Five-Year Plan and to DEP's cost to administer the Trust Fund.

Moneys in the Trust Fund not needed to meet land acquisition and management costs, or current debt service, are invested by the State Treasurer to the credit of the Trust Fund, in the manner provided by Florida law. Interest received on such investments is credited to the Trust Fund.

ESCROW AND RESERVE FUNDS

Security for payment of debt service on outstanding bonds is provided from two sources:

- an Escrow Fund within the Trust Fund and
- a Surety Bond issued by AMBAC and held by the Trustee.

Trust Fund Escrow

An agreement between the District and the Florida Department of Environmental Protection (DEP) requires DEP to set aside and escrow from the first moneys allocable to the District in the Trust Fund, sufficient moneys for the payment of principal and interest on the Bonds becoming due in such Bond Year. DEP is obligated to pay Trust Fund moneys sufficient to pay debt service as it becomes due on the Bonds to the District's Paying Agent. However, such payment shall not exceed the District's cumulative portion of funds in the Trust Fund.

Debt Service Reserve Fund/Surety Bond

The Bond Resolution provides for establishment and maintenance of the Reserve Fund for the purpose of making deposits in the Debt Service Fund in the event the moneys therein are insufficient for the payment of sums due on the Bonds, and for no other purpose. Moneys on deposit in the Reserve Fund shall be maintained for the benefit of the holders of the Series 2002 and 2003 Bonds, and any parity obligations of the District issued pursuant to the Resolution.

The District is required to have on deposit in the Reserve Fund an amount of money and/or Debt Service Reserve Fund Surety Bonds equal to the Reserve Fund Requirement. Beginning in 1995, the District obtained a Debt Service Reserve Fund Surety Bond to meet this requirement. The Reserve Fund Requirement is defined in the Resolution to mean, at any time, an amount equal to the lesser of:

- the maximum amount of principal and interest on all outstanding bonds due in any succeeding fiscal year, or
- the aggregate of ten (10%) of the original proceeds of each series of bonds.

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

SECURITY FOR THE CERTIFICATES OF PARTICIPATION

The Series 2006 Certificates evidence undivided proportionate interests in the principal portion and interest portion of Basic Lease Payments made by the Governing Board to the Corporation under the Series 2006 Lease. The Series 2006 Certificates are secured by and payable from the Trust Estate established for the Series 2006 Certificates (the "Trust Estate") pursuant to the Trust Agreement and any amounts payable under the Financial Guaranty Insurance Policy. The Trust Estate consists of all estate, right, title and interest of the Trustee in and to the Basic Lease Payments under the Series 2006 Lease, and all amounts held in the funds and accounts under the Trust Agreement in accordance with the provisions of the Master Lease and the Trust Agreement, including investment earnings thereon, and any and all monies received by the Trustee pursuant to the Series 2006 Lease and the Trust Agreement which are not required to be remitted to the Governing Board or the Corporation pursuant to the Master Lease or the Trust Agreement.

Purpose of the Series 2006 Certificates

The Series 2006 Lease is entered into, and the Series 2006 Certificates issued to provide for the lease-purchase financing of the acquisition, construction, installation and equipping of certain facilities and improvements to land for the restoration, protection and preservation of the Everglades ecosystem pursuant to the Acceler8 Project; refinance certain interim financings of the District, a portion of which was used to commence construction of certain of the 2006 Facilities; and pay certain costs of issuance of the Series 2006 Certificates, including the premium on a financial guaranty insurance policy for the Series 2006 Certificates. The Series 2006 Certificates are executed and delivered pursuant to a Master Trust Agreement dated November 1, 2006, and as amended and supplemented by the Series 2006 Supplemental Trust Agreement, dated November 1, 2006.

Lease Payments

All Basic and Additional Lease Payments and all other amounts required to be paid by the Governing Board under the Series 2006 Lease and all other Leases are payable solely from legally available funds budgeted and appropriated by the Governing Board for such purpose. Revenues available to the Governing Board for operational purposes and capital projects such as the Series 2006 Facilities include, but are not necessarily limited to, ad valorem taxes, operating grants and contributions from various sources, including the State of Florida, and capital grants and contributions from various sources, including the State and Federal Government.

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

ANNUAL DEBT SERVICE REQUIREMENTS

Debt service requirements on the Series 2002 and 2003 Bonds, and Series 2006 Certificates are as follows:

ANNUAL DEBT SERVICE (Principal and Interest) REQUIREMENTS (in Millions)				
Fiscal Years	Total	Series 2002	Series 2003	Series 2006
2016	\$ 42.03	\$ 2.52 ¹	\$ 4.34 ¹	\$ 35.17
2017	35.14			35.14
2018	35.13			35.13
2019	35.11			35.11
2020 - 2024	175.28			175.28
2025 - 2029	174.71			174.71
2030 - 2034	173.99			173.99
2035 - 2037	103.96			103.96 ²
Totals	<u>\$ 775.35</u>	<u>\$ 2.52</u>	<u>\$ 4.34</u>	<u>\$ 768.49</u>

AUDITED ANNUAL FINANCIAL STATEMENTS

Section II of this Comprehensive Annual Financial Report contains the District's Basic Financial Statements and related Report of Independent Certified Public Accountants. These statements are consistent with the Basic Financial Statements contained in the Official Statements in compliance with SEC Rule 15c2-12(b)(5)(i)(A) and (B).

¹ Scheduled payoff – October 1, 2015.

² Scheduled payoff – October 1, 2036.

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

REQUIRED NOTICES

The following table lists each material event and required notice defined in SEC Rule 15c2-12(b)(5)(i)(C) and (D). The table confirms that no notice to the NRMSIR or the MSRB and the SID was required for any of the material events related to each of the indicated Land Acquisition Bond Series currently outstanding. This confirms compliance with SEC Rule 15c2-12(b)(5)(i)(C) and (D) from July 3, 1995 to the date of this report.

NOTICE OF MATERIAL EVENTS OR FAILURE TO PROVIDE REQUIRED ANNUAL FINANCIAL INFORMATION		LAND ACQUISITION BONDS		CERTIFICATES
RULE SEC.	DESCRIPTION	SERIES 2002	SERIES 2003	SERIES 2006
(C)(1)	Principal and interest payment delinquencies.	None	None	None
(C)(2)	Non-payment related defaults.	None	None	None
(C)(3)	Unscheduled draws on debt service reserves reflecting financial difficulties.	None	None	None
(C)(4)	Unscheduled draws on credit enhancements reflecting financial difficulties.	None	None	None
(C)(5)	Substitution of credit or liquidity providers, or their failure to perform.	None	None	None
(C)(6)	Adverse tax opinions or events affecting the tax-exempt status of the security.	None	None	None
(C)(7)	Modifications to rights of security holders.	None	None	None
(C)(8)	Bond calls.	None	None	None
(C)(9)	Defeasances.	None	None	(c)
(C)(10)	Release, substitution, or sale of property securing repayment of the securities.	None	None	None
(C)(11)	Ratings changes.	(a)	(a)	(a)
(C)(12)	Bankruptcy, insolvency, receivership, or similar events.	None	None	None
(C)(13)	Merger, consolidation, or acquisition involving the sale of all or substantially all assets, other than in the ordinary course of business.	None	None	None
(C)(14)	Appointment of a successor or additional trustee, or the change of name of a trustee.	None	None	(b)
(D)	Failure to provide annual financial information or operating data in a timely manner.	None	None	None
(*)	Default of the Florida Department of Environmental Protection on its obligations under the Agreement.	None	None	None

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

- (a) During fiscal year 2011, Moody's Investor Services (Moody's) and Standard and Poor's (S&P) withdrew their ratings of the District's bond insurer, AMBAC Assurance Corporation. This rating was previously withdrawn by Fitch Ratings. During fiscal year 2012, Moody's lowered its credit rating on the District's Certificates and Land Acquisition Bonds to Aa3 from Aa2 and to A3 from A1 and Fitch Ratings downgraded the rating on the District's COPS to AA- from AA. On January 14, 2014, Fitch Ratings affirmed both the AA- rating on the District's COPS and the A rating on the Land Acquisition Bonds. The rating on all District debt is based on the District's underlying "non-insured" rating for the current fiscal year as follows:
- Certificates of Participation, Series 2006, rated Aa3, AA and AA- by Moody's, Standard & Poor's and Fitch, respectively.
 - Land Acquisition Bonds, Series 2002 and 2003, rated A3, A+ and A by Moody's, Standard & Poor's and Fitch, respectively.
- (b) During fiscal year 2013, U.S. Bank National Association, the lead bank of U.S. Bancorp, became the District's Trustee for the Certificates of Participation, Series 2006 when it acquired the municipal bond trustee business of Deutsche Bank, who formerly served as the District's Trustee.
- (c) In February 2016, the District advance refunded \$442,025,000 of the par value of its Series 2006 Certificates of Participation (COPs). This in-substance defeasance was financed through the issuance of the Series 2015 Refunding COPs with a par value of \$385,425,000 together with a net premium of \$70,872,796.80. In addition, the District contributed \$6,900,000 of funds on hand toward the advance refunding. These funds have been placed into escrow with U.S. Bank National Association from which \$1.1 million was paid for the costs of issuance. Remaining debt service for the defeased Series 2006 COPs is \$724.4 million while remaining debt service for the Series 2015 Refunding COPs is \$625.5 million for a total savings over the remaining life of the debt of \$98.9 million. The economic gain on the refunding is a net present value savings of \$72.2 million through fiscal year 2037.

SINGLE AUDIT

South Florida Water Management District, a Component Unit of the State of Florida

Single Audit Reports in Accordance With OMB Circular A-133
and Chapter 10.550, Rules of the Auditor General of the
State of Florida
Year Ended September 30, 2015

Contents

Report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with <i>Government Auditing Standards</i>	1-2
Report on compliance for each major federal program and state project; report on internal control over compliance; and report on the schedule of expenditures of federal awards and state financial assistance required by OMB Circular A-133 and Chapter 10.550, <i>Rules of the Auditor General, State of Florida</i>	3-5

Schedule of expenditures of federal awards and state financial assistance	6-8
Notes to schedule of expenditures of federal awards and state financial assistance	9
Schedule of findings and questioned costs	10-12
Summary schedule of prior audit findings	13



RSM US LLP

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

Independent Auditor's Report

The Governing Board
South Florida Water Management District
West Palm Beach Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the South Florida Water Management District (the District), as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 24, 2016. Our report included an emphasis of matter paragraph for the adoption of Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68*, effective October 1, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

RSM US LLP

West Palm Beach, Florida
June 24, 2016



RSM US LLP

**Report on Compliance for Each Major Federal Program and State Project;
Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures
of Federal Awards and State Financial Assistance Required by OMB Circular A-133
and Chapter 10.550, Rules of the Auditor General, State of Florida**

Independent Auditor's Report

The Governing Board
South Florida Water Management District
West Palm Beach, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited the South Florida Water Management District's (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the requirements described in the *Florida Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of the District's major federal programs and its major state project for the year ended September 30, 2015. The District's major federal programs and state project are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs and state project based on our audit of the types of compliance requirements referred to above. 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; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.550, *Rules of the Auditor General of the State of Florida*. Those standards and OMB Circular A-133 and Chapter 10.550 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program and 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 on compliance for each major federal program and state project. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program and State Project

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state project for the year ended September 30, 2015.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and state project and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by OMB Circular A-133 and Chapter 10.550

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated June 24, 2016, which contained unmodified opinions on those financial statements and included an emphasis of matter paragraph for the adoption of GASB Statements No. 68 and 71. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General of the State of Florida* and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information, except Note 4 marked "unaudited" of which we express no opinion, has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it. In our opinion, except for the portion marked "unaudited", the schedule of expenditure of federal awards and state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

RSM US LLP

West Palm Beach, Florida
June 24, 2016

South Florida Water Management District

**Schedule of Expenditures of Federal Awards and State Financial Assistance
Year Ended September 30, 2015**

Federal Grantor/State Agency	CFDA No.	Grant/Contract Number	Expenditures	Pass-Through Amount to Subrecipient
I. Cash Federal Awards				
Federal grants:				
U.S. Department of Interior:				
East Coast Buffer/Water Preserve Areas Land Acquisitions	15*	FB-1	\$ 54,303	N/A
Everglades Watershed Restoration-Program Income	15*	LWCF-1	411,300	N/A
National Park Service Conservation, Protection, Outreach and Education	15*	P15AC00435	25,652	N/A
Talisman-Program Income	15*	FB-4	1,222,683	N/A
Fish and Wildlife Coordination and Assistance Programs	15.664		<u>338,486</u>	N/A
Total U.S. Department of Interior			<u><u>2,052,424</u></u>	
U.S. Department of Agriculture:				
NRCS Wetlands Reserve Program				
Allapattah Ranch Wetlands Reserve Program	10.072	66-4209-12-809	<u>232,174</u>	N/A
Total U.S. Department of Agriculture			<u><u>232,174</u></u>	
U.S. Department of Transportation – Federal Highway Administration:				
Pass-through Florida Department of Transportation				
Highway Planning and Construction	20.205	BDH 68	<u>2,915</u>	N/A
Total U.S. Department of Transportation			<u><u>2,915</u></u>	
Total Cash Federal Awards			<u><u>\$ 2,287,513</u></u>	

* CFDA number not available

(Continued)

South Florida Water Management District

**Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued)
Year Ended September 30, 2015**

Federal Grantor/State Agency	CSFA No.	Grant/Contract Number	Expenditures	Pass-Through Amount to Subrecipient
Florida Department of Environmental Protection:				
Water Management District – Land Acquisition and Construction:				
SOETF FY11 NEEPP/CERP	37.022	SOETF11 NEEPP/CERP	\$ 27,068	N/A
SOETF FY12 NEEP/CERP	37.022	SOETF12 NEEP/CERP	1,946,240	N/A
SOETF FY13 NEEP/CERP	37.022	SOETF13 NEEP/CERP	1,166,437	N/A
SOETF FY14 NEEPP/CERP/Restoration Strategies	37.022	SOETF14 NEEPP/CERP/RS	34,381,336	N/A
SOETF FY15 CERP/Restoration Strategies	37.022	SOETF15 CERP/RS	35,807,111	N/A
SOETF FY13 NEEP/CERP	37.022	FFTF	16,984,718	N/A
WMLTF Cost of Bonds	37.022	WMLTF	9,170,311	N/A
			<u>99,483,221</u>	
Water Management District Operations:				
Water Policy and Ecosystems Restoration	37.037	S0760 DWM	2,246,493	N/A
C-43 West Basin Storage Reservoir	37.037	S0761 C-43 WEST BASIN	999,700	N/A
			<u>3,246,193</u>	
Surface Water Restoration and Wastewater Projects:				
Various Surface Water Rest. & Waste Water Projects-Lake O	37.039	SFW31	870	N/A
Various Surface Water Rest. & Waste Water Projects-CBIR	37.039	SFW61	100,000	100,000
Various Surface Water Rest. & Waste Water Projects-Lake O	37.039	SFW61	131,286	18,173
Various Surface Water Rest. & Waste Water Projects-CBIR	37.039	SFW71	429,395	124,373
Various Surface Water Rest. & Waste Water Projects-Lake O	37.039	SFW71	345,897	N/A
Various Surface Water Rest. & Waste Water Projects-CBIR	37.039	SFW81	170,298	159,002
Various Surface Water Rest. & Waste Water Projects-CBIR	37.039	SFW91	400,730	41,541
Various Surface Water Rest. & Waste Water Projects	37.039	S0767	1,426,529	N/A
Various Surface Water Rest. & Waste Water Projects	37.039	S0707	24,000	N/A
Various Surface Water Rest. & Waste Water Projects	37.039	S0784	15,100	N/A
Lake Okeechobee Fast Track-Nubbin Slough	37.039	N/A	93,127	N/A
			<u>3,137,232</u>	<u>443,089</u>
Total Florida Department of Environmental Protection			<u><u>\$ 105,866,646</u></u>	

(Continued)

South Florida Water Management District

**Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued)
Year Ended September 30, 2015**

Federal Grantor/State Agency	CSFA No.	Grant/Contract Number	Expenditures	Pass-Through Amount to Subrecipient
Florida Department of Motor Vehicles:				
Indian River Lagoon License Plate Revenue	76.010	IRL License Plate	\$ 4,301	N/A
Everglades River of Grass License Plate Project	76.013	Everglades License	<u>30,000</u>	N/A
Total Florida Department of Motor Vehicles			<u>34,301</u>	
Florida Department of Transportation:				
Everglades Restoration Program				
DOT Alligator Alley Toll Fees	55.025	C-7425	<u>2,644,080</u>	N/A
Total Florida Department of Transportation			<u>2,644,080</u>	
Total State Financial Assistance			<u>108,545,027</u>	
Total Expenditures of Federal Awards and State Financial Assistance			<u>\$ 110,832,540</u>	

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

N/A is not applicable

South Florida Water Management District

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance Year Ended September 30, 2015

1. Basis of Presentation

The accompanying schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the activity of all federal awards and state projects of the South Florida Water Management District (the District) for the year ended September 30, 2015. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal and state awards passed through other government agencies are included in the accompanying Schedule. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District. The District's reporting entity is described in Note 1 to the financial statements.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are presented using the modified accrual basis of accounting for grants which are accounted for in the governmental fund types. The information in the Schedule of Expenditures of Federal Awards and State Financial Assistance is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* 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.

3. Subrecipients

Certain program funds are passed through the District to subrecipient organizations. Subrecipients are noted on the schedule as "pass-through amount to subrecipient."

4. Non-Cash Federal Financial Assistance (Unaudited)

In accordance with various cost sharing projects the District has entered into with the U.S. Army Corps of Engineers (ACOE), a portion of the project is funded and performed by the ACOE and is considered to be noncash federal financial assistance to the District. However, since the amount is provided by the ACOE and cannot be verified by the District, it has not been subjected to audit as part of the District's federal awards under OMB Circular A-133 and the Federal Single Audit Act. The amount of non-cash federal financial assistance received by the District, as reported by the ACOE was \$905,154 for fiscal year ended September 30, 2015.

South Florida Water Management District

**Schedule of Findings and Questioned Costs
Year Ended September 30, 2015**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	_____ Yes	_____ X _____	No
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	_____ Yes	_____ X _____	None reported
Noncompliance material to financial statements noted?	_____ Yes	_____ X _____	No

Federal Awards

Internal control over major federal program:

Material weakness(es) identified?	_____ Yes	_____ X _____	No
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	_____ Yes	_____ X _____	None reported

Type of auditor’s report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	_____ Yes	_____ X _____	No
--	-----------	---------------	----

Identification of major federal programs:

Federal CFDA No.

Name of Major Federal Program

15.Unknown
15.664

U.S. Department of Interior:
Talisman-Program Income
Fish and Wildlife Coordination and Assistance Programs

Dollar threshold used to distinguish between type A and type B programs:

\$300,000

Auditee qualified as low-risk auditee?	_____ X _____	_____ Yes _____	_____ No _____
--	---------------	-----------------	----------------

(Continued)

South Florida Water Management District

**Schedule of Findings and Questioned Costs (Continued)
Year Ended September 30, 2015**

State Financial Assistance

Internal control over major state financial assistance projects:

Material weakness(es) identified?	_____ Yes	_____ X _____ No
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	_____ Yes	_____ X _____ None reported

Type of auditor's report issued on compliance for major state financial assistance projects:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550, *Rules of the Auditor General*?

_____ Yes	_____ X _____ No
-----------	------------------

Identification of major state financial assistance projects:

State CSFA No.

Name of State Projects

37.022

Florida Department of Environmental Protection:
Water Management District – Land Acquisition and Construction

Dollar threshold used to distinguish between type A and type B projects:

\$3,256,351

(Continued)

South Florida Water Management District

Schedule of Findings and Questioned Costs (Continued)
Year Ended September 30, 2015

Section II – Financial Statement Findings

None reported.

Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs

None reported.

South Florida Water Management District

**Summary Schedule of Prior Audit Findings
Year Ended September 30, 2015**

None reported.



This Page has been Intentionally Left Blank

MANAGEMENT LETTER

South Florida Water Management District

Management Letter in Accordance With the Rules of the
Auditor General of the State of Florida
September 30, 2015

Contents

Management letter in accordance with the <i>Rules of the Auditor General of the State of Florida</i>	14-16
Index of current year findings	17
Appendix A—Current year’s recommendations to improve financial management, accounting procedures and internal controls	18

**Management Letter in Accordance With the
Rules of the Auditor General of the State of Florida**

To the Governing Board
South Florida Water Management District

Report on the Financial Statements

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the South Florida Water Management District (the District), a component unit of the State of Florida, as of and for the year ended September 30, 2015, and have issued our report thereon dated June 24, 2016. Our report includes an emphasis of matter paragraph relating to the District's adoption of Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68*, effective October 1, 2014.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* and the Chapter 10.550, *Rules of the Florida Auditor General*.

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance For Each Major Federal Program or State Project and Report on Internal Control Over Compliance in Accordance With OMB Circular A-133 and Chapter 10.550, *Rules of the Florida Auditor General*; the Schedule of Findings and Questioned Costs and our Independent Accountant's Report on an examination conducted in accordance with *AICPA Standards for Attestation Engagements*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated June 24, 2016, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no prior audit findings and recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The information is disclosed in Note 1A to the financial statements.

Financial Condition

Section 10.554(1)(i)5.a and 10.556(7), Rules of the Auditor General, requires that we report the results of our determination as to whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

Annual Financial Report

Section 10.554(1)(i)5.b and 10.556(7), Rules of the Auditor General, requires that we report the results of our determination as to whether the annual financial report for the District for the fiscal year ended September 30, 2015, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2015. In connection with our audit, we determined that these two reports were in agreement.

Monthly Financial Statements

Section 10.554(1)(i)6.a and 10.556(9), Rules of the Auditor General, requires that we report the results of our determination as to whether or not the District provided monthly financial statements to its governing board and made such monthly statements available for public access on its Web site. In connection with our audit, we determined that the District provided monthly financial statements to its governing board and made such monthly statements available for public access on its Web site.

Transparency

Section 10.554(1)(i)6.b. and 10.556(9), Rules of the Auditor General, requires that we report the results of our determination as to whether the District provided a link on its Web site to the Florida Department of Financial Service's website to view the District's annual financial report submitted to the Department. In connection with our audit, we determined that the District provided a link on its website to the Florida Department of Financial Service's Web site.

Section 10.554(1)(i)6.c. and 10.556(9), Rules of the Auditor General, requires that we report the results of our determination as to whether the District posted its tentative and final budgets on its Web site. In connection with our audit, we determined that the District posted its tentative and final budgets on its website.

Other Matters

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. The recommendations to improve the District's financial management have been addressed in "Current Year's Recommendations to Improve Financial Management, Accounting Procedures and Internal Controls" in Appendix A to this report. The District's responses to the recommendations to improve the District's financial management have been addressed in "Current Year's Recommendations to Improve Financial Management, Accounting Procedures and Internal Controls" in Appendix A to this report. We did not audit the District's response, and accordingly, we express no opinion on it.

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

Purpose of This Letter

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

RSM VS LLP

West Palm Beach, Florida
June 24, 2016



This Page has been Intentionally Left Blank

South Florida Water Management District

Index of Current Year Findings

No.	Current Year's Observations and Recommendations
2015-01	User Access Reviews

South Florida Water Management District

Appendix A—Current Year’s Recommendations to Improve Financial Management, Accounting Procedures and Internal Controls

IC 2015-01 User Access Reviews

Criteria: Access rights to the organization’s relevant financial reporting applications or data are reviewed periodically by management.

Condition: Access rights to in-scope applications (SAP and network users) are not reviewed at least on an annual basis.

Cause: Access rights to in-scope applications (SAP and network users) are not reviewed at least on an annual basis.

Effect: Risks include unauthorized use, disclosure of proprietary information, modification, damage, or loss of data.

Recommendation: Management should consider performing a review of all SAP and network user access at least annually in order to prevent unauthorized use of system access. Moreover, management should formally document the review performed over user access rights, including the documentation of when the access review was performed, who performed the review, and document any access changes that are required.

Views of Responsible Officials and Planned Corrective Actions: The District agrees with the recommendation and currently has a process in place to formally review and document requests for additional system access. In addition to that process, the District is going to implement a new process whereby all job title and position changes will be reviewed annually to ensure that access being provided is appropriate given the employee’s new role and responsibilities.

ATTESTATION REPORT



RSM US LLP

Independent Auditor's Report

The Governing Board
South Florida Water Management District
West Palm Beach, Florida

We have examined the South Florida Water Management District's (the District) compliance with *Section 218.415, Florida Statutes, Local Government Investment Policies* during the year ended September 30, 2015. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included 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 examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2015.

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

RSM US LLP

West Palm Beach, Florida
June 24, 2016

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING



This Page has been Intentionally Left Blank



South Florida Water Management District
3301 Gun Club Road • West Palm Beach, Florida 33406
561-686-8800 • 1-800-432-2045 • www.sfwmd.gov

MAILING ADDRESS: P.O. Box 24680 • West Palm Beach, FL 33416-4680

sfwmd.gov