

## **Statement of Sources and Uses of Funds For the One Month Ended October 31, 2011**

The attached "Statement of Sources and Uses of Funds" statement is provided for your review. This report provides a summarized snapshot of high level District financial activity of revenue by Sources and expenditure summaries (Uses) by program. **This unaudited financial statement is provided as of October 31, 2011, with 8.3 percent of the fiscal year completed.**

This financial statement compares revenues recognized and encumbrances/expenditures made against the District's FY2012 available budget of \$512.2 million. Encumbrances represent orders for goods and services which have not yet been received.

### **Revenues (Sources) Status:**

- Overall, as of October 31, 2011, 78 percent (including fund balance) of the District's budgeted revenue has been recognized.
- As of October 31, 2011, the District has received \$173,056 of ad valorem tax revenue representing less than 1 percent of the budget, which is typical for the first month of any fiscal year as the majority of the ad valorem tax revenue is collected in the months of December and January. The budget represents 96 percent of the tax levy based on the historical collection rate.
- Intergovernmental Revenues are recognized at the time related expenditures are incurred. For FY2012, \$306,759 in revenues have been recognized, representing 6 percent of the budget. From year to year, the budgeted amount of intergovernmental revenue compared to the recognized amount can fluctuate for various reasons; projects can be in the planning stages and have not incurred a significant amount of expenditures, or anticipated projects may be canceled (i.e., a land acquisition, cooperative funding projects, etc.).
- The FY2012 interest earnings budget was based on a 0.5 percent expected rate of return. The District's investment portfolio was generating 0.73 percent at October 31, 2011. Due to the higher than budgeted interest rate (for the first month of the fiscal year) and varying cash balances related to project timing, interest earnings on invested funds are 14 percent of the budget. The District historically budgets investment earnings conservatively.
- License and Permit Fees consist of revenue from water use permits, environmental resource permits, water well construction permits, and water well construction licenses. Revenue recognized is 7 percent of budget as of October 31, 2011.
- As of October 31, 2011, other revenue collected is 8 percent of budget. Each year, items that fall within the "Other" revenue category are budgeted conservatively due to the uncertainty of the amounts to be collected.

- Fund Balance represents funds carried over from prior years that are allocated for expenditures, or are reserved or designated to fund outstanding encumbrances or board designations that were re-appropriated for expenditure in FY2012.

### **Expenditures (Uses) Status:**

Overall, as of October 31, 2011, at the time this report was prepared, the District had obligated 74 percent of its total budget. This indicates that most major projects are in progress and will be accomplished.

### **Summary of Expenditures by Program**

This financial statement illustrates the effort to date for each of the District's six statutory program areas (Section 373.536(5)(d)4, Florida Statutes). Provided below is a discussion of the expenditures by program.

- The **Water Resources Planning and Monitoring Program** includes all water management planning, including water supply planning, development of minimum flows and levels, and other water resource planning; research, data collection, analysis, and monitoring; and technical assistance (including local and regional plan and program review). Of the \$60.1 million budgeted for this program, the District has obligated 59 percent of the budget (1 percent expended and 58 percent encumbered).
- The **Acquisition, Restoration and Public Works Program** includes the development and construction of all capital projects (except for those contained within the Operation and Maintenance of Lands and Works Program), including water resource development projects/water supply development assistance, water control projects, and support and administrative facilities construction; land acquisition; and the restoration of lands and water bodies. Of the \$357.2 million budgeted for this program, the District has encumbered 90 percent of the budget.
- The **Operation and Maintenance of Lands and Works Program** includes all operation and maintenance of facilities, flood control and water supply structures, lands, and other works authorized by Chapter 373, Florida Statutes. Of the \$21.1 million budgeted for this program, the District has obligated 32 percent of the budget (6 percent expended and 26 percent encumbered).
- The **Regulation Program** includes water use permitting, water well construction permitting, water well contractor licensing, environmental resource and surface water management permitting, permit administration and enforcement, and any delegated regulatory program. Of the \$18.5 million budgeted for this program, the District has obligated 20 percent of the budget (5 percent expended and 15 percent encumbered).
- The **Outreach Program** includes all environmental education activities, such as water conservation campaigns and water resources education; public information activities; all lobbying activities relating to local, regional, state, and federal governmental affairs; and all public relations activities, including public service announcements and advertising

in any media. Of the \$6.2 million budgeted for this program, the District has obligated 44 percent of the budget (2 percent expended and 42 percent encumbered).

- The **Management and Administration Program** includes all governing board support; executive support; management information systems; annual contingency funds; and general counsel, ombudsman, human resources, finance, audit, risk management, and administrative services. Of the \$49.1 million budgeted for this program, the District has obligated 22 percent of the budget (4 percent expended and 18 percent encumbered).

Of the \$49.1 million budgeted, \$7.1 million was budgeted as annual contingency funds.

Based on the financial activities for the one month ended October 31, 2011, the financial condition of the District is positive and budget variances are generally favorable. There are no reported or identified major trends, conditions or variances that warrant additional management attention.

**Southwest Florida Water Management District  
Statement of Sources and Uses of Funds  
For the One Month Ended October 31, 2011  
(Unaudited)**

	<b>Available Budget</b>	<b>Actuals Through 10/31/2011</b>	<b>Variance (under)/Over Budget</b>	<b>Actuals As A % of Budget</b>
<b>Sources</b>				
Ad Valorem Property Taxes	\$ 103,449,973	\$ 173,056	\$ (103,276,917)	0%
Intergovernmental Revenues	4,991,320	306,759	(4,684,561)	6%
Interest on Invested Funds	2,615,000	377,626	(2,237,374)	14%
License and Permit Fees	1,900,000	142,303	(1,757,697)	7%
Other	752,369	60,129	(692,240)	8%
Fund Balance	398,501,732	398,501,732	-	100%
<b>Total Sources</b>	<b>\$ 512,210,394</b>	<b>\$ 399,561,605</b>	<b>\$ (112,648,789)</b>	<b>78%</b>

	<b>Available Budget</b>	<b>Expenditures</b>	<b>Encumbrances <sup>1</sup></b>	<b>Available</b>	<b>%Expended</b>	<b>%Obligated <sup>2</sup></b>
<b>Uses</b>						
Water Resources Planning and Monitoring	\$ 60,140,788	\$ 725,723	\$ 34,597,981	\$ 24,817,084	1%	59%
Acquisition, Restoration and Public Works	357,170,568	217,034	320,648,547	36,304,987	0%	90%
Operation and Maintenance of Lands and Works	21,131,881	1,319,176	5,400,275	14,412,430	6%	32%
Regulation	18,484,809	846,173	2,815,188	14,823,448	5%	20%
Outreach	6,199,436	98,983	2,651,473	3,448,980	2%	44%
Management and Administration	49,082,912	2,047,697	8,672,557	38,362,658	4%	22%
<b>Total Uses</b>	<b>\$ 512,210,394</b>	<b>\$ 5,254,786</b>	<b>\$ 374,786,021</b>	<b>\$ 132,169,587</b>	<b>1%</b>	<b>74%</b>

<sup>1</sup> Encumbrances represent unexpended balances of open purchase orders and contracts.

<sup>2</sup> Represents the sum of expenditures and encumbrances as a percentage of the annual budget.

This unaudited financial statement is prepared as of October 31, 2011, and covers the interim period since the most recent audited financial statements and is for the sole purpose of management.