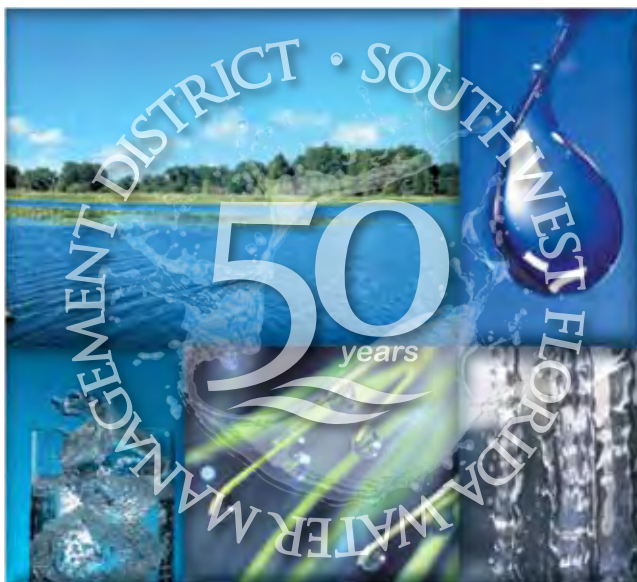


Fiscal Year 2012

Budget-In-Brief



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Southwest Florida
Water Management District

Message From the Chair

On behalf of the Governing Board of the Southwest Florida Water Management District (District), I am pleased to present the District's adopted budget for fiscal year (FY) 2012, which begins October 1, 2011 and ends September 30, 2012.

The District's FY2012 adopted budget is \$155.5 million, \$124.3 million (44 percent) less than the FY2011 budget of \$279.8 million. The District has complied with Senate Bill 2142, which established the maximum tax levy for FY2012 at \$107,766,957. The FY2012 budget includes \$103.4 million in property tax revenue, which is 96 percent of the maximum levy based on the historical collection rate. We have reduced our taxing levels to those collected 11 years ago in FY2001.

On September 27, 2011, the Governing Board adopted a final millage rate of 0.3928 mill required for the levy. This rate will result in a \$57.4 million (36 percent) tax reduction for property owners within the District's 16-county service area.

State funding was reduced by \$28.9 million from FY2011, primarily due to the elimination of funding from the state's Florida Forever and Water Management Lands trust funds. In addition, balances available from prior years decreased by \$34 million from FY2011. This balance forward for projects is expected to continue to decline in the future based on year-to-year budget declines.

One challenge facing the District and public water suppliers is to fund the development of an additional 126 million gallons per day (mgd) of new water supply by 2030. The estimated total capital cost for this new water supply ranges from \$1.1 to \$1.5 billion. To meet this need without incurring debt, the District will continue to match its funds with public and private partners. The District has initially dedicated \$50 million of reserves for water supply development over the next 5 to 10 years.

The District has also committed to fund at least \$40 million each year in cooperative funding, of which \$22 million is planned for water supply and water resource development. Consistent with this, the FY2012 budget includes \$41.6 million for the District's Cooperative Funding Initiative through its water supply and resource development and cooperative funding programs. These programs represent 27 percent of the District's expenditures for FY2012. Combined with an estimated \$40 million from our cooperators, the investment for sustainable alternative water supply development and other water resource management projects will be \$81 million.

The FY2012 budget is focused on carrying out the District's responsibilities for water supply, water quality, flood protection and natural systems on a pay-as-you-go basis without bonded debt. This budget will achieve the District's statutory responsibilities to manage and protect the public's water resources.



H. Paul Senft, Jr.
Governing Board Chair

How the District Is Funded

FY2012 Budget	Revenues (in millions)	% of Total
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Ad Valorem Tax Revenue*	\$103.4	66.4%
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Property taxes levied on the taxable value of real and personal property as certified by the property appraiser in each county.

Balance From Prior Years	\$41.8	26.9%
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Unexpended funds carried forward from the previous fiscal year(s). The amount available for FY2012 is \$34 million less than for FY2011, which is due to the cancellation of cooperative funding projects last year by local governments related to current economic conditions.

State Funding	\$3.1	2.0%
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Funds provided by the state of Florida. The major sources of revenue are the Florida Department of Environmental Protection, Water Protection & Sustainability Trust Fund (prior year funds), state appropriation — West-Central Florida Water Restoration Action Plan (prior year funds), Florida Department of Transportation and Florida Fish and Wildlife Conservation Commission.

Federal Funding	\$0.4	0.3%
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Funds provided by the Federal Emergency Management Agency and U.S. Environmental Protection Agency.

Other Funding	\$6.8	4.4%
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Various funding sources such as local county/city governments, permit fees, interest earnings on investments, and miscellaneous revenue.

TOTAL REVENUES	\$155.5	100%
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**With limits set by the Florida Constitution and Florida Statutes, the District is authorized to tax up to one mill. Total taxes levied to fund District projects for FY2012 may not exceed \$107.8 million. Based on these limits, the FY2012 millage rate was set at 0.3928 mill. This means that in FY2012 a property owner will pay \$0.39 for every \$1,000 of assessed taxable property value.*

FY2012 Budget Highlights

More than two-thirds of the \$155.5 million budget is directed to development of water supplies, flood protection and the protection of the public's natural resources.

- \$25 million for development of new water supplies
- \$21 million for surface water improvement projects
- \$18 million for research, data collection, analysis and monitoring
- \$16 million for regulatory services
- \$15 million for operation and maintenance of lands and structures
- \$11 million for water resource planning
- \$4 million for outreach, public information and water resources education

How the District Allocates Resources

FY2012 Budget	Expenditures (in millions)	% of Total
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Salaries & Benefits/ Other Personal Services	\$57.9	37.3%
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Represents \$54.9 million for salaries and benefits for District regular and temporary employees and \$3.0 million for temporary contracted positions. The number of positions was decreased from 850 full-time equivalents (FTEs) in FY2011 to 764 FTEs in FY2012.

Operating Expenses	\$21.5	13.8%
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Represents a 14 percent reduction, which was achieved with across-the-board cuts wherever possible. Over 80 percent of the operating expense categories were reduced or held flat.

Operating Capital Outlay	\$2.2	1.4%
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Represents funding for automotive equipment, boats, computer hardware and software, furniture and equipment with a value per item of more than \$1,000 and an estimated useful life of more than one year.

Contracted Services	\$27.4	17.6%
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Represents funding for District-led projects such as minimum flows and levels, watershed management plans, and Surface Water Improvement and Management restoration. These projects are performed by the private sector, represent direct investments into the economy and protect Florida's water resources.

Fixed Capital Outlay	\$0.5	0.3%
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Represents funding for purchase of easements or access associated with locations of critical project elements, such as monitor well sites. Florida Forever land acquisitions have ceased until the Department of Environmental Protection develops an official process for the systematic review of acquisitions by the water management districts.

Interagency Grants	\$37.3	24.0%
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Represents matching funds for cooperator-led projects, through the District's Cooperative Funding Initiative, which include the water supply and resource development and cooperative funding programs. The Cooperative Funding Initiative generally provides 50 percent matching funds toward the cost of projects that help create sustainable water resources, enhance conservation efforts, provide flood protection and improve water quality.

Project Reserves	\$1.6	1.0%
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Represents funding for future water supply and water resource development and other long-term District core mission projects.

Annual Contingency Funds	\$7.1	4.6%
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Represents funding for unforeseen or unexpected events or emergencies and is budgeted at an amount equal to 7 percent of ad valorem revenue.

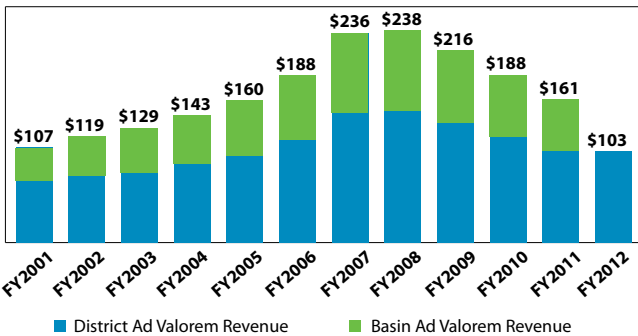
TOTAL EXPENDITURES	\$155.5	100%
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FY2012 Budget

Millage Rates*	FY2011	FY2012
District	0.3770	0.3928
Special Revenue Funds		
Alafia River Basin	0.2163	0.0000
Coastal Rivers Basin	0.1885	0.0000
Hillsborough River Basin	0.2300	0.0000
Manasota Basin	0.1484	0.0000
Peace River Basin	0.1827	0.0000
Pinellas-Anclote River Basin	0.2600	0.0000
Withlacoochee River Basin	0.2308	0.0000
Summary Budget	FY2011	FY2012
General Fund	\$131,852,163	\$111,682,823
Special Revenue Funds		
Alafia River Basin	\$6,314,985	\$1,348,144
Coastal Rivers Basin	6,188,791	3,429,121
Hillsborough River Basin	46,541,919	9,137,891
Manasota Basin	16,246,877	10,763,400
Peace River Basin	12,459,277	4,204,117
Pinellas-Anclote River Basin	27,548,615	9,477,344
Withlacoochee River Basin	6,858,998	3,013,504
Subtotal Basin Funds	\$122,159,462	\$41,373,521
FDOT Mitigation	\$3,990,685	\$1,448,268
Total Special Revenue Funds	\$126,150,147	\$42,821,789
Capital Projects Funds		
Facilities Fund	\$2,794,285	\$1,039,285
Florida Forever	19,010,768	0
Total Capital Projects Funds	\$21,805,053	\$1,039,285
Total Combined Budget	\$279,807,363	\$155,543,897

* Pursuant to Governing Board Resolution No. 11-10, all basin boundaries were merged into the boundaries of the District effective May 31, 2011. The net assets of each basin will be held as restricted assets of the District until expended for water management purposes within the geographical boundaries of the basin in which the ad valorem tax revenue was collected. The District is the only taxing authority for FY2012.

Ad Valorem Revenues Reduced (in Millions)

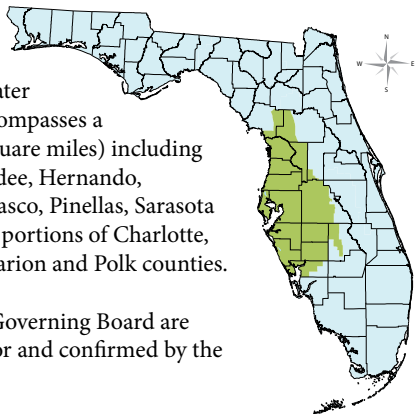


Mission

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

The Southwest Florida Water Management District encompasses a 16-county area (10,000 square miles) including all of Citrus, DeSoto, Hardee, Hernando, Hillsborough, Manatee, Pasco, Pinellas, Sarasota and Sumter counties, and portions of Charlotte, Highlands, Lake, Levy, Marion and Polk counties.

Members of the District Governing Board are appointed by the Governor and confirmed by the Florida Senate.



For a full copy of the *Budget-In-Brief* document, please visit the District's website at WaterMatters.org.

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