

Statement of Sources and Uses of Funds For the Four Months Ended January 31, 2013

The attached "Statement of Sources and Uses of Funds" statement is provided for your review. The financial statement provides summary-level revenues and balances (i.e., sources) and expenditures/encumbrances by program (i.e., uses).

The financial statement reports the financial activities for the first four months of fiscal year 2012-13, ended January 31, 2013, and compares actual results against the annual budget, with 33.3 percent of the fiscal year completed.

Revenues (Sources) Status:

- Overall, as of January 31, 2013, 87 percent of the District's budgeted revenues/balances have been recognized.
- As of January 31, 2013, the District has received \$83.7 million of ad valorem tax revenue representing 83 percent of the budget. This is in-line with the prior year fourth month collection rate of 82 percent for FY2011-12. 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 FY2012-13, \$3.6 million in revenues has been recognized, representing 10 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 (e.g., cooperative funding projects).
- The FY2012-13 interest earnings budget was based on a 0.5 percent expected rate of return. For the four months ended January 31, 2013, the District earned 0.46 percent return on its investments. Interest earnings based on higher than anticipated invested funds and a slightly lower rate of return totaled \$884,914, representing 44 percent of the budget.
- 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 represents 29 percent of the budget as of January 31, 2013, slightly below budget.
- As of January 31, 2013, other revenue earned is 76 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. For example, revenues from timber sales, hog hunts, and the sale of assets can vary significantly from year to year.
- Fund Balance consists of balance from prior years (budgeted for the current year) plus fund balance associated with the ad valorem funded encumbrances that rolled into the current year.

Expenditures (Uses) Status:

Overall, as of January 31, 2013, the District had obligated 71 percent of its total budget.

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)(e)4, Florida Statutes). A discussion of the expenditures by program follows.

- The **Water Resource 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 \$48.1 million budgeted for this program, the District has obligated 66 percent of the budget (11 percent expended and 55 percent encumbered).
- The **Land Acquisition, Restoration and Public Works Program** includes the development and construction of all capital projects (except for those contained in the Operation and Maintenance of Works and Lands Program), including water resource development projects/water supply development assistance, water control projects, and support and administrative facilities construction, land acquisition (i.e., Florida Forever program), and the restoration of lands and water bodies. Of the \$281.9 million budgeted for this program, the District has obligated 79 percent of the budget (3 percent expended and 76 percent encumbered). Because the majority of these program expenditures are incurred by cooperators and invoiced to the District for reimbursement, the majority of the billings received in the first quarter relate to expenditures that were incurred and accrued during the District's previous year-end.
- The **Operation and Maintenance of Works and Lands Program** includes all operation and maintenance of facilities, flood control and water conservation structures, lands, and other works authorized by Chapter 373, Florida Statutes. Of the \$20.9 million budgeted for this program, the District has obligated 41 percent of the budget (24 percent expended and 17 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, compliance and enforcement, and any delegated regulatory program. Of the \$23.1 million budgeted for this program, the District has obligated 35 percent of the budget (24 percent expended and 11 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 and advertising in any media. Of the \$4.6 million budgeted for this program, the District has obligated 53 percent of the budget (14 percent expended and 39 percent encumbered).

- The **Management and Administration Program** includes executive management, executive support, governing board support, ombudsman, general counsel, inspector general, administrative support (general), procurement, finance, human resources, risk management, and communications. Of the \$16.7 million budgeted for this program, the District has obligated 48 percent of the budget (32 percent expended and 16 percent encumbered).

Based on the financial activities for the four months ended January 31, 2013, 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 Four Months Ended January 31, 2013
(Unaudited)**

	Current Budget	Actuals Through 1/31/2013	Variance (under)/Over Budget	Actuals As A % of Budget
Sources				
Ad Valorem Property Taxes	\$ 100,477,587	\$ 83,707,701	\$ (16,769,886)	83%
Intergovernmental Revenues	36,105,620	3,615,024	(32,490,596)	10%
Interest on Invested Funds	2,000,000	884,914	(1,115,086)	44%
License and Permit Fees	1,900,000	557,536	(1,342,464)	29%
Other	343,200	261,629	(81,571)	76%
Fund Balance	254,458,958	254,458,958	-	100%
Total Sources	\$ 395,285,365	\$ 343,485,762	\$ (51,799,603)	87%

	Current Budget	Expenditures	Encumbrances¹	Available Budget	%Expended	%Obligated²
Uses						
Water Resource Planning and Monitoring	\$ 48,089,050	\$ 5,386,715	\$ 26,435,059	\$ 16,267,276	11%	66%
Land Acquisition, Restoration and Public Works	281,872,387	9,114,545	214,282,961	58,474,881	3%	79%
Operation and Maintenance of Works and Lands	20,962,354	4,931,388	3,639,505	12,391,461	24%	41%
Regulation	23,095,300	5,483,688	2,581,458	15,030,154	24%	35%
Outreach	4,597,287	640,027	1,796,173	2,161,087	14%	53%
Management and Administration	16,668,987	5,346,639	2,675,111	8,647,237	32%	48%
Total Uses	\$ 395,285,365	\$ 30,903,002	\$ 251,410,267	\$ 112,972,096	8%	71%

¹ Encumbrances represent unexpended balances of open purchase orders and contracts.

² Represents the sum of expenditures and encumbrances as a percentage of the current budget.

This unaudited financial statement is prepared as of January 31, 2013, and covers the interim period since the most recent audited financial statements.