

## **Statement of Sources and Uses of Funds For the Five Months Ended February 28, 2015**

The attached "Statement of Sources and Uses of Funds" statement is provided for your review. This financial statement provides summary-level revenues (i.e., sources) and expenditures by program (i.e., uses). **This unaudited financial statement is provided as of February 28, 2015, with 41.7 percent of the fiscal year completed.**

This financial statement compares revenues recognized and encumbrances/expenditures made against the District's FY2014-15 available budget of \$332.1 million. Encumbrances represent orders for goods and services which have not yet been received.

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

- Overall, as of February 28, 2015, 87 percent of the District's budgeted revenues/balances have been recognized.
- As of February 28, 2015, the District has received \$90.7 million of ad valorem tax revenue representing 89 percent of the budget. This is in-line with the five month prior year collection rates of 88 percent for FY2013-14 and 87 percent for FY2012-13. 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 FY2014-15, \$4.6 million in revenues have been recognized, representing 14 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 FY2014-15 interest earnings budget was based on a 0.75 percent expected rate of return. The District's investment portfolio at February 28, 2015, is earning a weighted average yield of 0.59 percent. For the five months ended February 28, 2015, the District has earned 0.56 percent yield on its investments. Interest earnings on invested funds in the amount of \$1.2 million, have been recognized representing 32 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 35 percent of the budget as of February 28, 2015.
- As of February 28, 2015, other revenue earned is 220 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, insurance recoveries, legal settlements and the sale of assets can vary significantly from year to year. The majority of the revenue collected to-date is due to the receipt of a legal settlement during the month of December and funds provided by Florida Blue, the District's insurance provider in support of the District's wellness program.
- 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 February 28, 2015, the District had obligated 65 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 \$45.4 million budgeted for this program, the District has obligated 59 percent of the budget (17 percent expended and 42 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 \$228.1 million budgeted for this program, the District has obligated 71 percent of the budget (8 percent expended and 63 percent encumbered).
- 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 \$19.3 million budgeted for this program, the District has obligated 46 percent of the budget (30 percent expended and 16 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 \$22.2 million budgeted for this program, the District has obligated 42 percent of the budget (30 percent expended and 12 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 \$2.6 million budgeted for this program, the District has obligated 45 percent of the budget (17 percent expended and 28 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, and risk management. Of the \$14.5 million budgeted for this program, the District has obligated 57 percent of the budget (44 percent expended and 13 percent encumbered).

Based on the financial activities for the five months ended February 28, 2015, 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 February 28, 2015  
(Unaudited)**

	<b>Current Budget</b>	<b>Actuals Through 2/28/2015</b>	<b>Variance (under)/Over Budget</b>	<b>Actuals As A % of Budget (rounded)</b>
<b>Sources</b>				
Ad Valorem Property Taxes	\$ 102,256,638	\$ 90,708,922	\$ (11,547,716)	89%
Intergovernmental Revenues	32,899,649	4,620,164	(28,279,485)	14%
Interest on Invested Funds	3,600,000	1,153,632	(2,446,368)	32%
License and Permit Fees	1,700,000	600,814	(1,099,186)	35%
Other	260,700	573,045	312,345	220%
Fund Balance	191,386,205	191,386,205	-	100%
<b>Total Sources</b>	<b>\$ 332,103,192</b>	<b>\$ 289,042,782</b>	<b>\$ (43,060,410)</b>	<b>87%</b>

	<b>Current Budget</b>	<b>Expenditures</b>	<b>Encumbrances<sup>1</sup></b>	<b>Available Budget</b>	<b>% Expended (rounded)</b>	<b>% Obligated<sup>2</sup> (rounded)</b>
<b>Uses</b>						
Water Resource Planning and Monitoring	\$ 45,374,745	\$ 7,883,035	\$ 18,983,632	\$ 18,508,078	17%	59%
Land Acquisition, Restoration and Public Works	228,080,046	17,264,722	145,246,907	65,568,417	8%	71%
Operation and Maintenance of Works and Lands	19,329,658	5,830,332	3,120,048	10,379,278	30%	46%
Regulation	22,240,592	6,753,825	2,491,987	12,994,780	30%	42%
Outreach	2,573,225	448,421	713,074	1,411,730	17%	45%
Management and Administration	14,504,926	6,332,695	1,908,851	6,263,380	44%	57%
<b>Total Uses</b>	<b>\$ 332,103,192</b>	<b>\$ 44,513,030</b>	<b>\$ 172,464,499</b>	<b>\$ 115,125,663</b>	<b>13%</b>	<b>65%</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 current budget.

This unaudited financial statement is prepared as of February 28, 2015, and covers the interim period since the most recent audited financial statements.