

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended September 30, 2005



water *supply*



flood *protection*



water *quality*



natural *systems*



management *services*

Southwest Florida
Water Management District



A Component Unit of the State of Florida

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended September 30, 2005

Prepared by: Finance Department

Southwest Florida
Water Management District



WATERMATTERS.ORG · 1-800-423-1476

A Component Unit of the State of Florida

Mission Statement:

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 Governing Board of the District assumes its responsibilities as authorized in Chapter 373 and other chapters of the Florida Statutes by directing a wide-range of programs, initiatives, and actions. These include, but are not limited to, flood protection, water use, well construction and environmental resource permitting, water conservation, education, land acquisition, water resource and supply development and supportive data collections and analysis efforts.

The District does not discriminate upon the basis of any individual's disability status. This non-discrimination policy involves every aspect of the District's functions, including one's access to, participation, employment, or treatment in its programs or activities. Anyone requiring reasonable accommodation regarding this document as provided for in the Americans with Disabilities Act should contact Finance administration at (352) 796-7211 or 1-800-423-1476 (Florida only), extension 4121; TDD only: 1-800-231-6103; Fax: (352) 540-6011; Suncom Fax: 663-6011.

**Southwest Florida Water Management District
Comprehensive Annual Financial Report
Fiscal Year Ended September 30, 2005**

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- Finance Department Listing

March 28, 2006

To the Citizens of the Southwest Florida Water Management District:

The Comprehensive Annual Financial Report of the Southwest Florida Water Management District (District) for the fiscal year ended September 30, 2005, is hereby submitted.

State law requires that local governmental entities publish within 12 months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended September 30, 2005.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with management. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with U.S. generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, the information presented is accurate in all material respects, and is reported in a manner that presents fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's activities have been included.

KPMG LLP, Certified Public Accountants, have issued an unqualified ("clean") opinion of the District's financial statements for the year ended September 30, 2005. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

About the District

The Southwest Florida Water Management District (District) encompasses approximately 10,000 square miles of a 16-county area in west-central Florida and is one of five regional water management districts charged by Chapter 373 of the Florida Statutes to preserve and protect the state's water resources.

Approximately one quarter of the state's population (4.3 million) resides within the District. The District was established in 1961 by a special act of the Florida Legislature to serve as local sponsor of the Four River Basins, Florida Project. This was a major flood control project sponsored by the U.S. Army Corps of Engineers after Hurricane Donna caused extensive damage in west-central Florida in 1960.

The District's original mission was to protect people and property from flooding caused by tropical storms and other heavy rains. This was done in part by building structures to control high waters. The Tampa Bypass Canal, which diverts Hillsborough River overflow away from the flood-prone areas of Tampa and Temple Terrace, is the most prominent example of this water resources management responsibility.

Today's regional flood protection efforts remain an important element of the District's mission. Since the District was created in 1961, the demands of growth have resulted in additional responsibilities mandated of the District by the Florida Legislature. As delegated by the Florida Department of Environmental Protection (DEP), the District now authorizes permits for consumptive use of water, well construction, surface water management, and the protection of wetlands. Water supply, water resources development, and water quality are major concerns, and many projects with local, state and federal funding partners focus on ensuring adequate sustainable quality water for the future.

An 11-member Governing Board determines the District's overall policies, executes its regulatory responsibilities, administers contracts, hires the Executive Director subject to confirmation by the Florida Senate, and authorizes tax levies and general fund and Basin budgets subject to review by the Governor. Each member is appointed by the Governor and confirmed by the Florida Senate. District Governing Board members serve staggered four-year terms, are eligible for reappointment, and serve as unpaid citizen volunteers. One or more Governing Board members also serve in an ex officio role on each of the District's eight Basin Boards.

Unique to the Southwest Florida Water Management District, each of the eight watershed basins within the District is overseen by a Basin Board. There are 44 Basin Board members, who are also appointed by the Governor and confirmed by the Florida Senate. Basin Board members serve three-year terms, are eligible for reappointment, and serve as unpaid citizen volunteers. They offer a localized perspective to water management and make statutorily required recommendations and decisions. Because of its Districtwide hydrologic significance, the District Governing Board also oversees activities in a ninth watershed area, the Green Swamp Basin.

The annual budget serves as the foundation for the District's financial planning and control. 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 the conduct of hearings for taxpayer comment, the Governing Board sets the tax rates and adopts a budget in September. The appropriated budget is prepared by fund, department and activity. The Governing Board delegates authority to the Executive Director to execute transfers of budgeted funds not to exceed \$50,000, if no reserve funds are involved. Delegated transfers are presented to the Governing Board for approval and to the appropriate Basin Board(s) for information at their next regular scheduled meeting. All transfers of funds from the contingency and other reserve accounts exceeding \$50,000 require prior Governing or Basin Board approval. All transfers approved by Basin Boards are reported to the Governing Board for ratification.

The District is authorized by the Florida Constitution and Florida State Statutes to fund its general operations from ad valorem property taxes. The District Governing Board may levy up to one-half mill for the general costs of the District. In addition, each of the eight Basin Boards may assess up to one-half mill with the approval of the Governing Board and the Executive Office of the Governor to support projects undertaken within, or directly affecting, their individual areas. One mill equals \$1 of tax per \$1,000 of taxable property value. Funding for District programs is supplemented by District permit fees and by grants from and contracts with federal, state and local governments, and private sector organizations.

The Reporting Entity

The financial statements of the District include all operations for which the District is financially accountable.

The District is a component unit of the State of Florida for financial reporting purposes. The state provides funding for District programs through the sale of state debt, sharing of documentary stamp revenues, and the approval of various annual grants and entitlements.

The District's financial statements for the fiscal year ended September 30, 2005, will be incorporated into the State of Florida's financial statements for the state's fiscal year ending June 30, 2006, as a discretely presented component unit. Discretely presented component units are reported in a separate column in the basic financial statements to emphasize that they are legally separate from the primary government, which is the State of Florida, and to differentiate their financial position, results of operations and cash flows.

Factors Affecting Financial Condition

Economic Conditions and Outlook.¹ Short-term estimates and forecasts again show the economy of the counties in the District outperforming in most sectors relative to the state as a whole and the nation. However, Hurricanes Dennis, Katrina, Rita and Wilma, three of which made landfall in the state, may have a significant impact on the forecast data below. Except where indicated, the reported data do not reflect the impacts of these storms. They may temporarily reduce employment and generate losses in the service and agricultural sectors but will likely increase construction employment in the hardest hit counties in the short term. However, the basic forces that drive the economy should remain relevant.

Permanent population for counties in the District grew 1.6 percent between 2004 and 2005 (from 4,804,000 to 4,882,000 respectively), which nearly tied Florida's total population growth of 1.7 percent (from 17,306,000 in 2004 to 17,604,000 in 2005). Permanent population growth from 2005 through 2010 in the District is projected at 7.9 percent (approximately an additional 400,000 people) versus Florida's 8.4 percent. Total employment for counties in the District grew 2.2 percent from 2004 to 2005 (2,617,000 to 2,674,000 respectively) versus 2.1 percent for Florida (from 9,579,000 in 2004 to 9,775,000 in 2005). Between 2005 and 2010, employment will grow approximately 10 percent for both the District and the state. This high pace of growth is expected to hold for non-agricultural sectors but the District may experience somewhat lower employment growth in agricultural/other natural resource-related sectors. The counties with the highest projected growth in total employment between 2004 and 2005 were Manatee (4.45 percent), Charlotte and Hernando (just over 3 percent), DeSoto (2.83 percent) and Hillsborough (2.38 percent). These same counties should lead through 2010 with growth rates ranging from 11.63 percent (Hillsborough) to 21.22 percent (Manatee). Again, the proliferation and intensification of hurricanes and tropical storms may affect growth rates. The District's slower population growth rate combined with faster employment growth may be contributing to real per capita income in the

¹ Except as noted, all data are based on countywide data and are derived from Woods and Poole Economics. 2005 State Profile: State and County Projections to 2025.

District increasing 1.22 percent between 2004 and 2005 versus one percent for the state. By 2010, real per capita income in the District is projected to grow 6.5 percent over its 2005 level. This is a full percentage point ahead of Florida as a whole (5.5 percent).

Among non-agricultural economic sectors, services are the fastest growing economic segment. Services led all others with a 3.4 percent increase in employment between 2004 and 2005 in the District counties versus 3.1 percent for Florida and 2.3 percent for the nation. Service employment will continue to dominate increases in employment through 2010 with growth rates in the District (16.4 percent) surpassing those of the state (14.9 percent) and the nation (11.1 percent). The District will keep pace with state and national averages in job growth in the region's second fastest growing sector - construction. Construction employment in the District counties grew 1.6 percent between 2004 and 2005 versus 1.9 percent for Florida and 1.6 percent for the nation. In 2010, the construction sector in the District will be 7.9 percent larger than in 2005. This growth rate closely mirrors the trend in this sector at the national level (7.7 percent). Nevertheless, the state's construction sector will grow even faster than both at 9.3 percent. Similarly, the region's economy will generally match or exceed the state and the nation in both mining and manufacturing short-term job growth. The District's 2004-2005 growth in mining employment was three times that of Florida (1.1 percent versus 0.3 percent). By 2010, mining employment growth in the District (5.1 percent) will be close to 2.83 times higher than growth experienced in the state (1.8 percent), but only slightly ahead of the nation (4.6 percent).

Home construction and tourism are significant economic activities in the District. According to EconSouth², a total of 20,000 houses were built in the Tampa Bay area in the year ending June 30, 2005. Moreover, housing prices have climbed 20 percent in that same period². Rising interest rates are expected to dampen demand for mortgages. Speculative activity is expected to decline considerably in the face of higher interest rates and flatter appreciation curves. Nonetheless, moderated growth in the housing stock will continue in response to drivers such as retiring baby boomers.

A persistent red tide affected vast coastal areas in the District in 2005³. This in conjunction with a second unusually active hurricane season on the Gulf coast may have had a dampening effect on tourism in 2005 that could affect tourism in the near future. The St. Petersburg/Clearwater Area Convention and Visitors Bureau reported that in the year through October, total visitors were up 5.9 percent relative to 2004. However, total room nights decreased 2 percent and measures of visitor satisfaction and plans to return were down slightly⁴.

Agriculture usually plays a large and moderating role in the region's economy. Although employment growth is slower in agriculture than in other sectors, on-farm employment in the District expanded 0.5 percent between 2004 and 2005 versus 0.2 percent in the state as a whole. Farm employment in the District will increase 1.9 percent by 2010. This growth is more than twice the rate of growth in this sector for the state as a whole (0.9 percent). Counties with the highest farm employment growth were Citrus (2.3 percent), Charlotte (1.92 percent), Manatee (1.21), Levy (1.08 percent), and Hillsborough (0.95 percent). These same counties will be growth leaders in this sector by 2010 with growth rates between 5.20 percent (Manatee) and 3.77 percent (Charlotte). Polk and Pasco counties experienced declines in farm employment of less than one percent between 2004 and 2005. In 2010, a smaller number of residents in Lake, Marion, Polk, Hernando, and Pasco, will be working in the farming sector. These counties will see this sector shrink between 0.36 percent (Lake) and 3.77 percent (Pasco) from 2005 to 2010.

² "Florida Housing: Blueprint for Success". EconSouth. Third Quarter. Federal Reserve Bank of Atlanta.

³ Huettel, Steve. "Red Tide Dampens Tourism." The St. Petersburg Times. 12 September 2005: Internet edition.

⁴ "October 2005 Visitor Profile." Prepared for the St. Petersburg/Clearwater Area Convention and Visitors Bureau by Research Data Services, Inc. December 14, 2005.

Farm earnings in District counties are projected to increase 2.6 percent from 2004 to 2005 (\$770.35 million to \$790 million respectively) with the state only slightly ahead at 2.7 percent (\$1.648 billion to \$1.692 billion respectively). Looking at the year 2010, farm earnings growth in District counties (13.3 percent) is predicted to nearly keep pace with the state as a whole (13.9 percent). Agricultural services employment grew 1.8 percent between 2004 and 2005 (from 63,170 to 64,280) within the District. Florida trailed the District at 1.4 percent (from 181,530 in 2004 to 184,010 in 2005). The District will continue to be a leader in agricultural services employment with growth through 2010 projected at 8.5 percent versus 7.0 percent for Florida.

Citrus and vegetables are two of the predominant crop groups in the District. The vast majority of citrus acreage in the District is dedicated to oranges processed for juice. Citrus growers were significantly impacted by the hurricanes of 2005⁵. Nonetheless, 2005-06 season crops for all citrus cultivars are apace to surpass last year's volumes despite losses due to Hurricane Wilma. In the cases of navel oranges, Valencia oranges, and grapefruit, the forecast calls for 40 percent, 16.3 percent, and 25 percent more fruit, respectively. The Brazilian orange crop's estimates are 13 percent lower than last year's and may be revised downward. Upward pressure in orange juice prices will persist because of decreased orange juice production (Brazil) and low beginning inventory (USA). Total on-tree revenues for all Florida citrus will soar 41.8 percent to \$1.053 billion in 2005-06. Unfortunately, growers will only be able to benefit from favorable developments in citrus markets to the extent that they avoided damage from the hurricanes. Increased hurricane activity is said to be responsible for the rapid spread of citrus canker (*Xanthomonas axonopodis* *pv. citri*). A Tampa Tribune editorial revealed that up to 183,000 acres of citrus may be destroyed in efforts to prevent the spread of the disease⁶. This is about one-third of the state's crop. The viability of the industry depends on the success of the citrus canker containment/eradication programs and/or the ability of the industry to coexist with canker.

As in 2004, the hurricanes of 2005 also affected the vegetable industry. Growers were able to recover quickly this time around. The industry is expected to continue to expand as U.S. per capita consumption of fresh produce continues to grow⁷. For example, fresh tomato consumption is forecast to increase from 20 pounds per capita in 2005 to 22 pounds in 2015⁸. Furthermore, fresh tomato exports are expected to grow slightly more than imports and average grower prices are expected to increase 1.3 percent annually through 2015⁹. Increasing concerns over pesticide residue and other health concerns about imported vegetables are also expected to better position U.S. and Florida vegetable producers where regulatory programs are more protective of consumers. Country of origin labeling should enhance this advantage.

In summary, the non-agricultural economy of the region is anticipated to fare quite well in comparison to the state, as a whole, and the nation. The agricultural sector in the District, while still facing an uncertain future, continues to hold its own and is expected to experience modest growth in employment and earnings. The relatively good expected performance of the District regional economy should bode well for the region's ability to finance necessary water resource-related projects.

Long-term financial planning. The District exercises its management of water resources through five "areas of responsibility": Water Supply, Flood Protection, Water Quality, Natural Systems and Management Services. Long-term financial planning, as well as strategic direction, is provided by

⁵ Citrus statistics are derived from: Brown, Mark G. Florida Citrus Outlook 2005-06 Season. Prepared for Florida Citrus Commission Market and Economic Research Committee. December 21, 2005.

⁶ "Crippling News for Citrus." Editorial. The Tampa Tribune 20 December 2005: Internet edition.

⁷ VanSickle, John J. "Vegetable Outlook 2005. December 26, 2005." (Unpublished)

⁸ Preliminary 2006. U.S. Fruit & Vegetable Outlook. December 2005. National Food and Agricultural Policy Project. Arizona State University. <http://nfapp.east.asu.edu>.

⁹ Preliminary 2006. U.S. Fruit & Vegetable Outlook. December 2005. National Food and Agricultural Policy Project. Arizona State University. <http://nfapp.east.asu.edu>.

the District Water Management Plan, the District Strategic Plan, annual development of a Program Budget, and a Five-Year Capital Improvements Plan that connects planning and program budgeting.

As one example of long-term financial planning in the area of water supply, consider the District's direction for water supply and resource development, known as the District's "Financial Engine." The District's Regional Water Supply Plan (RWSP, August 2001), which is updated every five years (next update will occur in 2006 with projections through 2025), shows that at least an additional 432 million gallons per day (mgd) of new water supplies will be required by 2020. When the RWSP was prepared, 215 mgd, at a cost of over \$1 billion, had been completed, was in progress, or was programmed (meaning that the funding mechanisms were in place). The remaining 217 mgd through 2020, at a projected cost of \$1.3 billion, had not been developed or funded. The Financial Engine is a pay-as-you-go strategic funding plan for implementation that depends on the majority of the remaining \$1.3 billion being generated in conjunction with the District's public and private partners. Consistent with the Financial Engine, the fiscal year 2006 combined District budget includes \$79.2 million for Water Supply and Resource Development projects and reserves. The District will continue to seek additional federal, state and local funding through 2025 and strategic public and private partnerships to address the investment necessary to develop the additional conservation programs and new sustainable water supplies for both Northern Tampa Bay and the Southern Water Use Caution Areas.

Cash management policies and practices. Cash temporarily available during the year was pooled and invested in the Local Government Surplus Trust Fund, which is administered by the State Board of Administration, and in government securities with maturities of not to exceed 3 years. The District's investment policy is to minimize credit and market risks while maintaining a competitive yield on the portfolio. The average rate of return on District investments was 2.7 percent. Interest earnings include depreciation in the fair value of investments. Decreases in fair value during the current year, however, do not necessarily represent trends that will continue; nor will the District necessarily realize such amounts, especially in the case of temporary changes in the fair value of investments that the District intends to hold to maturity.

Risk Management. The Risk Management Section of the District's Human Resources Department is charged with the responsibility to provide a safe and healthy environment to protect employees and the public against losses that would affect the District's ability to fulfill its goals and objectives. Districtwide safety programs to familiarize employees with risk control techniques to minimize accident-related losses have been offered to all District employees.

The District is currently self-insured for workers' compensation. The District contracts with a third-party administrator to administer workers' compensation claims and maintains an excess workers' compensation insurance policy to cover claims in excess of \$500,000 per occurrence.

The District continues to be successful in maintaining employee group medical benefit costs at a level equal to or less than the average cost for similar benefit plans based on industry type, geographic location and plan structure.

Pension Trust Operations. Employees of the District are covered by the Florida Retirement System (FRS). FRS contribution rates are actuarially determined and spread to all participant governments within the FRS system. The District has no obligation in connection with employee benefits offered through this plan beyond its annual contractual payment to the FRS.

Debt Administration. The District continued to have no outstanding bonded debt at the end of fiscal year 2005.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended September 30, 2004. This was the seventeenth consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both U.S. generally accepted accounting principles and applicable legal requirements.

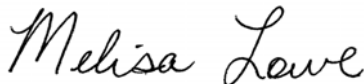
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Sincere appreciation is extended to the many District employees who assisted with the preparation of this report, with special thanks to the employees of the Finance Department, especially the Accounting & Financial Reporting Section. Special recognition is due the Visual Communications section staff for the design of the cover and tabs, and the Print Shop for producing the report. In closing, this report would not have been possible without the support and leadership of the District Governing Board, the District's Basin Boards and the District's Executive staff.

Sincerely,



Daryl F. Pokrana
Finance Director



Melisa Lowe
Accounting & Financial Reporting Manager

**SOUTHWEST FLORIDA
WATER MANAGEMENT DISTRICT**

**Management Services Division
Deputy Executive Director
Eugene A. Schiller**

FINANCE DEPARTMENT

Department Director

Daryl F. Pokrana

Assistant Director

Linda R. Pilcher

Section Managers

Accounting & Financial Reporting Melisa Lowe
Contracts Administration Steven Long
Financial Systems Noel Pioszak
Purchasing Malcolm Wilson

Accounting & Financial Reporting Staff

Accounting

Janet Thompson, Sr. Supervisor
Sonja Grant
Mike Cacioppo
Julie McClung
Kerri Meadors

Financial Compliance

Patrick Sevon, Supervisor
Ann Kenny
Darlene Gent
Melissa Williams

Accounts Payable

Karen Frazier, Supervisor
Ellen Cuarta
Crystal Buck
Mary Hrivnak
Judy Misener
Shelia Roush
Sanita Savarese
Reed Clickener

Property Administration

Avery Bailey, Administrator
Cindy Hood

Administrative Supervisor

Spring Aikens



Financial Section

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
Notes to the Financial Statements



KPMG LLP
Suite 1700
100 North Tampa Street
Tampa, FL 33602

Independent Auditors' Report on the Financial Statements

Members of the Governing Board of the
Southwest Florida Water Management District:

We have audited the accompanying financial statements of the governmental activities and each major fund of the Southwest Florida Water Management District (the District), a component unit of the State of Florida, as of and for the year ended September 30, 2005, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Southwest Florida Water Management District, as of September 30, 2005, and the respective changes in financial position thereof, and the respective budgetary comparison for the general fund and each major special revenue fund for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2005 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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* and should be considered in assessing the results of our audit.



The management's discussion and analysis on pages 3 through 11 is not a required part of the basic financial statements but is supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, other supplementary information and statistical section are presented for purposes of additional analysis and are not a required part of 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 U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and Section 215.97 *Florida Statutes*. The other supplementary information and the schedule of expenditures of federal awards and state financial assistance have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

KPMG LLP

December 29, 2005
Certified Public Accountants

Management's Discussion and Analysis (unaudited)

The Southwest Florida Water Management District's (District) discussion and analysis is designed to offer readers of the District's financial statements a narrative overview and analysis of the financial activities of the District for the fiscal year ended September 30, 2005. Readers are encouraged to read the Management's Discussion and Analysis in conjunction with the transmittal letter beginning on page i and the District's financial statements, which begin on page 13.

Financial Highlights

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$995.4 million. Of this amount, \$255.5 million may be used to meet the District's ongoing obligations to citizens and creditors. It is the District's intent to use these assets to 1) liquidate contracts and purchase orders of the prior period in the amount of \$191.2 million and 2) pay claims associated with the District's Workers' Compensation Self-insurance Program estimated at \$0.7 million. The remaining net assets are earmarked for New Water Sources Initiative (NWSI) and Water Supply and Resource Development projects and funding for future years.
- The District's total net assets increased by \$93.6 million. This increase is primarily attributable to the investment in capital assets and to the Governing Board's designation of funds necessary to address long-term water supply and resource development needs consistent with the District's Regional Water Supply Plan.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$367.1 million, an increase of \$34.2 million in comparison with the prior year. Of this total amount, \$88.2 million is available for spending at the District's discretion and has been earmarked as noted above.
- The District has no bonded debt.

Overview of the 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 contains 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.

The statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of 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 distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include: water resources planning and monitoring; acquisition, restoration and public works; operation and maintenance of lands and works; regulation; outreach; and management and administration.

The government-wide financial statements can be found on pages 13 and 14 of this report.

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.

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 the District'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 fund balance sheet and the governmental fund 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 one general fund, eleven special revenue funds and two capital projects funds, all of which are considered to be major funds. Information is presented separately for each of these in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances.

The District adopts an annual appropriated budget for all funds. To demonstrate compliance with the adopted budget, budgetary comparison statements have been provided for all funds in accordance with Governmental Accounting Standards Board, Statement No. 34. Although not required, budgetary comparison schedules for the District's capital projects funds have been provided on pages 47 and 48 of this report, as other supplemental information.

The governmental fund financial statements can be found on pages 15 through 28 of this report.

Notes to the 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 financial statements can be found on pages 29 through 45 of this report.

Additional information. Additional information about the District, which may be of interest to the reader, is found under the Statistical, Single Audit and Management Letter sections of this report.

Government-wide Financial Analysis

The overall condition of the District improved in both fiscal years 2005 and 2004.

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$995.4 million. At September 30, 2005, the District reported positive balances in all three categories of net assets. The same situation held true for the prior fiscal year. The District's total net assets increased by \$93.6 million. The majority of the increase is attributable to the investment in capital assets and to the Governing Board's designation of funds necessary to address long-term water supply and resource development needs consistent with the District's Regional Water Supply Plan.

Southwest Florida Water Management District's Net Assets

	Governmental activities	
	2005	2004
Current and other assets	\$ 426,237,598	\$ 373,232,231
Capital assets	652,916,266	593,149,521
Total assets	<u>1,079,153,864</u>	<u>966,381,752</u>
Current and other liabilities	58,383,900	39,452,407
Long-term liabilities outstanding	25,414,820	25,218,199
Total liabilities	<u>83,798,720</u>	<u>64,670,606</u>
Net assets:		
Invested in capital assets	652,916,266	593,149,521
Restricted	86,964,669	85,841,584
Unrestricted	255,474,209	222,720,041
Total net assets	<u>\$ 995,355,144</u>	<u>\$ 901,711,146</u>

The largest portion of the District's net assets in the amount of \$652.9 million (65 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, infrastructure). The District uses these capital assets to carry out its statutory responsibilities; consequently, these assets are not available for future spending.

Restricted net assets in the amount of \$87 million (9 percent) represent resources that are subject to external restrictions on how they may be used.

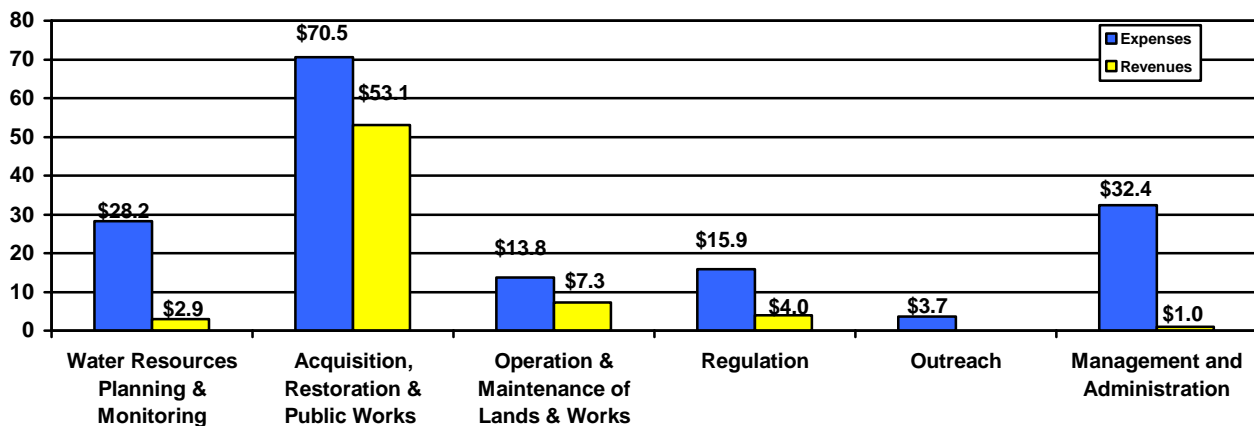
Unrestricted net assets in the amount of \$255.5 million (26 percent) may be used to meet the District's ongoing obligations to citizens and creditors. As noted earlier, it is the District's intent to use these assets to 1) liquidate contracts and purchase orders of the prior period in the amount of \$191.2 million and 2) to pay claims associated with the District's Workers' Compensation Self-insurance Program estimated at \$0.7 million based on an independent actuarial determination. The remaining funds are earmarked for New Water Sources Initiative (NWSI) and Water Supply and Resource Development projects and funding for future years.

Governmental activities. Governmental activities increased the District's net assets by \$93.6 million. Changes in key elements of this increase are as follows:

Southwest Florida Water Management District's Changes in Net Assets

	Governmental Activities	
	2005	2004
Revenues:		
Program revenues:		
Charges for services	\$ 6,285,377	\$ 6,258,900
Operating grants and contributions	22,945,387	25,535,832
Capital grants and contributions	39,018,186	37,012,993
General revenues:		
Ad valorem property taxes	161,163,202	143,869,238
Unrestricted investment earnings	9,467,843	4,565,891
Other	19,306,576	1,323,392
Total Revenues	258,186,571	218,566,246
Expenses:		
Water Resources Planning & Monitoring	28,225,093	21,751,944
Acquisition, Restoration & Public Works	70,492,840	77,426,245
Operation & Maintenance of Lands & Works	13,754,235	14,653,283
Regulation	15,927,204	14,314,706
Outreach	3,707,207	3,727,632
Management and Administration	32,435,994	27,937,157
Total expenses	164,542,573	159,810,967
Change in net assets	93,643,998	58,755,279
Net assets - beginning of year	901,711,146	842,955,867
Net assets - end of year	\$ 995,355,144	\$ 901,711,146

Expenses and Program Revenues* - Governmental Activities
(shown in millions)



* Program Revenues exclude ad valorem property taxes in accordance with Governmental Accounting Standards Board, Statement No. 34 – See Note I.B.

Revenues

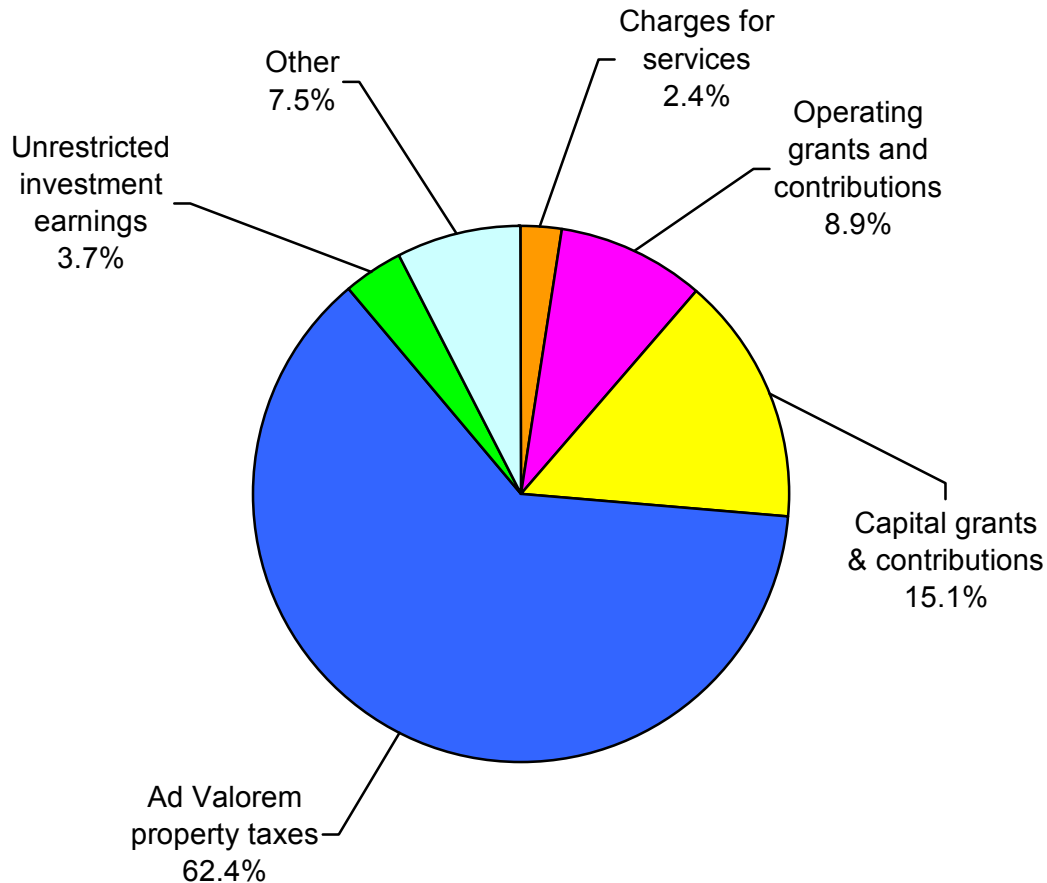
Ad valorem property taxes are the District's primary source of revenue. For fiscal year 2005, ad valorem property tax revenue increased \$17.3 million (12 percent) from fiscal year 2004. The General Fund Districtwide millage rate and the eight Basin millage rates remained at the same levels as fiscal year 2004. The increase in ad valorem property tax revenues is due to higher property valuations resulting from resales, reassessments, and new construction throughout the District.

Operating grants and contributions decreased by \$2.6 million (10.1 percent) from fiscal year 2004, due primarily to a decrease in intergovernmental revenues from the Ecosystem Management and Restoration Trust Fund for the Lake Panasoffkee Project accounted for in the Withlacoochee River Basin Fund, and the State Transportation Trust Fund for mitigation projects accounted for in the DOT Mitigation Fund. Actual expenditures for these projects are incurred as work on the projects is completed. Since the projects are often multi-year projects, expenditures and reimbursement for those expenditures can fluctuate depending on the phase of the project being completed during the fiscal year.

Unrestricted investment earnings increased by \$4.9 million (107.4 percent) from fiscal year 2004 due primarily to the current economic conditions, rising interest rates, and the increase in available cash balances. The District received a 2 percent average yield on its investments during fiscal year 2004 compared with an average yield of 2.7 percent during fiscal year 2005.

Other Revenues increased by \$18 million from fiscal year 2004 due primarily to a parcel of land being donated to the District with a fair market value of approximately \$17.9 million.

FY2005 Revenues by Source – Governmental Activities



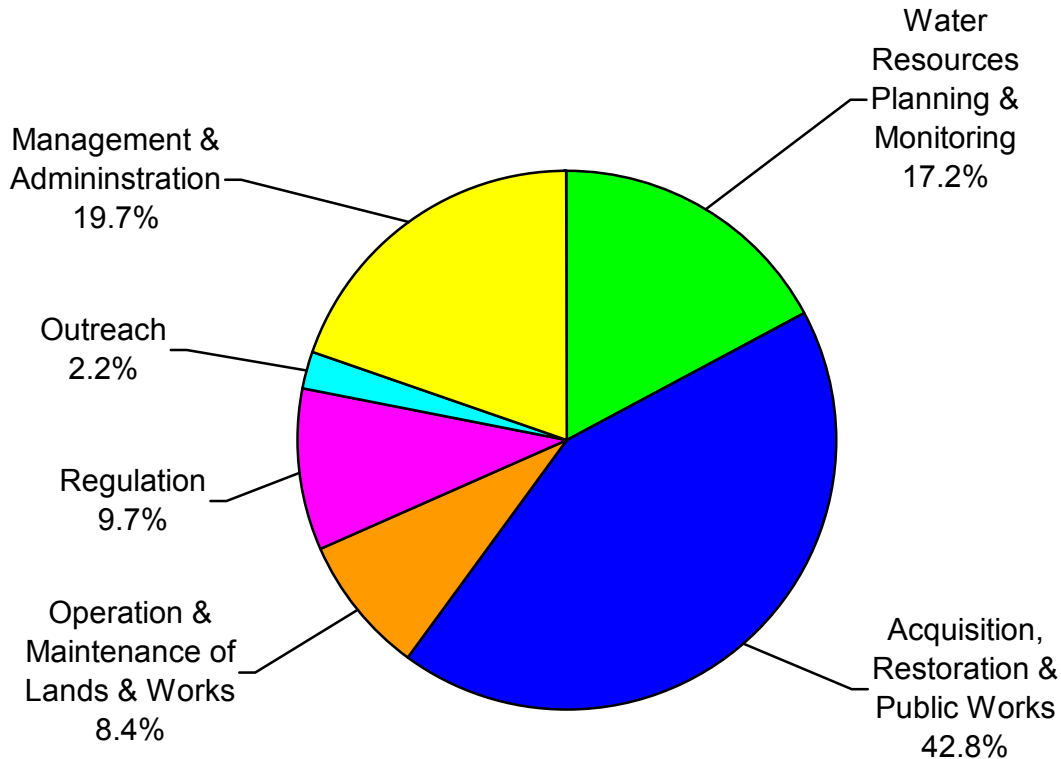
Expenses

Water Resources Planning and Monitoring program expenses increased \$6.5 million (29.8 percent) compared with fiscal year 2004. Expenses included in this program include all water management planning, research, data collection, analysis and monitoring. The increase in expenses is due to a number of different projects relating to this program area. Two of the larger projects include the Orthophoto and Land Use/Cover Mapping project and the Peace River Watershed Topographic Mapping project. The Orthophoto and Land Use/Cover Mapping project involves digital aerial photographs that are processed in conjunction with ground survey data to produce highly accurate, computer compatible photomaps. In fiscal year 2005, the District's orthophoto program was modified to increase the resolution from three feet to one foot, increase the horizontal accuracy from 25 feet to six feet and increase the frequency of the imagery from five years to annual Districtwide updates. Fiscal year 2005 was the first year the Districtwide, higher quality orthophotos were produced at a cost of \$1.1 million. The Peace River Watershed Topographic Mapping project involves the collection of topographic information and digital orthophotos in the Peace River watershed to support development of the Peace River Integrated Model (PRIM). The PRIM project is an important undertaking to develop an integrated surface and ground-water model for the Peace River watershed. The PRIM will be used to assess the affects of factors such as climate, land use, drainage, and water use on Peace River flows. Fiscal year 2005 represented the first year of funding for this project at a cost of \$1.5 million.

Regulation program expenses increased \$1.6 million (11.3 percent) compared with fiscal year 2004. Expenses included in this program include water use permitting, water well construction permitting, water well contractor licensing, environmental resource permitting, permit administration and enforcement, and any delegated regulatory program. The increase in expenses is due to acquiring engineering services to inspect surface water management systems, photo-documentation of areas of non-compliance, preparation of inspection reports to detail findings and draft requests for corrective actions relating to Environmental Resource Permitting; acquiring outside assistance to review data submittals and identify deficiencies of Water Use Permits; continuation of the multi-phased Electronic Document Management System project which will allow the submittal of permit applications on-line and the implementation of the Efficient Transportation Decision Making (ETDM) process to provide effective/timely decision-making for transportation projects without compromising environmental quality. The ETDM project is fully funded by the Florida Department of Transportation at a first year cost of \$0.4 million.

Management and Administration program expenses increased \$4.5 million (16.1 percent) compared with fiscal year 2004. Expenses included in this program include Governing and Basin Board support, executive support, management information systems, unrestricted reserves, general counsel, ombudsman, human resources, finance, audit, risk management, and administrative services. The increase is due to higher tax commission expenses for county property appraisers and tax collectors, increased workers' compensation claims expenses, and loss on the disposal of capital assets.

FY2005 Expenses by Program – Governmental Activities



Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. 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 funding requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

At September 30, 2005, the District's governmental funds reported combined ending fund balances of \$367.1 million, an increase of \$34.2 million from the prior year. Unreserved fund balance totals \$88.2 million. This includes deficit undesignated fund balances totaling \$35.6 million in the Withlacoochee River Basin, Surface Water Improvement and Management (SWIM) Program, Department of Transportation (DOT) Mitigation and Save Our Rivers Funds (see Note III.B, page 36). These balances result from contractual obligations (encumbrances) at year-end that are not eligible for reimbursement until expenditures are incurred against them, thus creating deficit undesignated fund balances at September 30. Without the deficit undesignated fund balances, the combined unreserved fund balance was \$123.9 million available for spending at the District's discretion. Of this amount, the Governing Board has designated \$121.2 million for various purposes including the New Water Sources Initiative and Water Supply and Resource Development programs, and funding for the fiscal year 2006 budget. Reserved fund balance totals \$278.9 million and is reserved to indicate that it is not available for new spending because it has already been committed to 1) liquidate \$278.2 million in contracts and purchase orders of the prior period and 2) pay approximately \$0.7 million in estimated claims associated with the District's Workers' Compensation Self-insurance Program.

The general fund is the chief operating fund of the District. At the end of the current fiscal year, unreserved fund balance of the general fund was \$79.2 million, while the total fund balance was \$125.7 million. As a measure of the general fund's liquidity, it may be useful to compare both the unreserved fund balance and the total fund balance to the total fund expenditures, which amounted to \$87.2 million. Unreserved fund balance represents 90.9 percent of the total general fund expenditures. Total fund balance represents 144.2 percent of the total general fund expenditures. The Governing Board has designated \$65.6 million for projects and reserves primarily for the New Water Sources Initiative and Water Supply and Resource Development programs, \$11.2 million as funding for the fiscal year 2006 budget, and \$0.2 million for the self-funded workers' compensation program. The remaining \$2.2 million is available to offset ad valorem property tax requirements as balance forward in future years.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget were the result of the District receiving unanticipated operating grants totaling \$10.2 million. The U.S. Department of Agriculture – Natural Resources Conservation Service (NRCS) contributed \$4.8 million, the U.S. Federal Emergency Management Agency (FEMA) contributed \$2.4 million, and the Florida Department of Community Affairs (DCA) contributed \$0.3 million for hurricane debris cleanup activities for several major watercourses and Charlotte Harbor and Sarasota Bay. FEMA also contributed \$2.7 million for watershed management and floodplain mapping efforts in Desoto, Hardee and Polk counties.

Variances between the budgeted expenditures for each program area and actual expenditures were significant in two program areas: 1) Water Resources Planning and Monitoring, and 2) Acquisition, Restoration and Public Works. These program areas include a variety of projects, initiatives and reserves that are necessary to carry out the District's mission to preserve and protect the state's water resources (see Note I.D). The General Fund budget-to-actual variances are primarily due to encumbrances that exist at year-end for projects that are often multi-year, resulting in expenditures that do not always coincide with the budget period; and reserves established to fund various long-term programs or initiatives consistent with the Regional Water Supply Plan.

Capital Assets

The District's investment in capital assets at September 30, 2005, amounted to \$652.9 million (net of accumulated depreciation). This investment in capital assets includes land, land interests, buildings, machinery and equipment, infrastructure, construction in progress and other capital assets.

Major capital asset events during the current fiscal year include the following:

- Land acquisition costs (not including ancillary costs) totaled \$37.6 million. Acquisitions were funded from the Florida Forever (FF) and Water Management Lands (WML) Trust Funds. The following is a list of some of the on-going land acquisition projects where individual or multiple parcels of land were acquired during fiscal year 2005:
 - Flying Eagle Ranch: \$13.5 million, funded by the FF Trust Fund.
 - Lake Hancock: \$10.1 million, funded by the FF Trust Fund.
 - Myakka River Project: \$8 million, funded by the FF and WML Trust Funds.
 - Green Swamp West Project: \$3.8 million, funded by FF Trust Fund.

- Following are some of the construction in progress projects that were completed during fiscal year 2005:
 - New Tampa Service Office: \$3.7 million.
 - Lake Panasoffkee Restoration Project: \$1.7 million.
 - Nature's Classroom Environmental Education Center: \$0.6 million.

**Southwest Florida Water Management District's
Capital Assets
(net of depreciation)**

	2005	2004
Land	\$ 494,673,129	\$ 443,002,156
Land Interests (less-than-fee)	32,187,117	28,301,019
Buildings	29,176,649	23,513,103
Machinery and Equipment	7,929,151	7,636,997
Infrastructure	75,073,804	76,370,196
Construction in Progress	13,847,964	14,286,142
Other Capital Assets	28,452	39,908
Total Assets	\$ 652,916,266	\$ 593,149,521

Additional information on the District's capital assets can be found in Note I.E.4 on page 32 and Note IV.E on page 40.

Economic Factors and Next Year's Budgets and Rates

The District's primary source of funding is ad valorem property taxes. Property tax values within the District increased by a historic 17.60 percent in 2005 due to property resales, reassessments and new construction. The property tax levy for fiscal year 2006 budget requirements is based on the tax roll for 2005. The General Fund Districtwide millage rate and all eight Basin millage rates were held at the fiscal year 2005 levels.

The current economic conditions and the improving interest rates have positively affected District investment earnings. The District received a 2.70 percent yield on its investments during fiscal year 2005. The fiscal year 2006 budget is based on an expected yield of 3 percent.

During the current fiscal year, the unreserved fund balance in the general fund increased to \$79.2 million. The Governing Board has designated \$65.6 million primarily for New Water Sources Initiative and Water Supply and Resource Development projects and reserves, \$11.2 million as funding for the fiscal year 2006 budget, and \$0.2 million for the self-funded workers' compensation program. The remaining \$2.2 million is available to offset ad valorem property tax requirements as balance forward in future years.

Requests for Information

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information should be addressed to the Office of the Finance Director, Southwest Florida Water Management District, 2379 Broad Street, Brooksville, Florida, 34604-6899; or by calling (352) 796-7211, extension 4121; or by e-mail to Daryl.Pokrana@swfwmd.state.fl.us.

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Basic Financial Statements

The Basic Financial Statements include both the Government-wide Financial Statements and Fund Financial Statements.

The Government-wide Financial Statements consist of a statement of net assets and a statement of activities which report information about the District as a whole using the economic resource measurement focus and the accrual basis of accounting.

The Fund Financial Statements report additional detailed information about the District's governmental funds using the current financial resources measurement focus and the modified accrual basis of accounting.

**Southwest Florida Water Management District
Statement of Net Assets
September 30, 2005**

	<u>Governmental Activities</u>
ASSETS	
Cash and Investments	\$ 302,505,162
Receivables	14,668,145
Deposits	25,000
Inventories	85,375
Other Assets	289,373
Restricted assets:	
Cash and Investments	107,443,057
Intergovernmental Receivable	1,221,486
Capital Assets (net of accumulated depreciation)	
Land	494,673,129
Land Interests	32,187,117
Buildings	29,176,649
Machinery and Equipment	7,929,151
Infrastructure	75,073,804
Construction in Progress	13,847,964
Other Capital Assets	28,452
Total Assets	<u>1,079,153,864</u>
LIABILITIES	
Accounts and Contracts Payable	33,462,697
Payroll and Related Costs	1,837,188
Contracts Payable-Retainage	1,559,098
Due To Other Governments	335,274
Unearned Revenue	21,012,144
Liabilities Payable From Restricted Assets	177,499
Noncurrent Liabilities:	
Due Within One Year	1,243,245
Due in More Than One Year	24,171,575
Total Liabilities	<u>83,798,720</u>
NET ASSETS	
Invested in Capital Assets	652,916,266
Restricted for:	
Partnership Agreement	86,964,669
Unrestricted (Page 43, note V. B.)	255,474,209
Total Net Assets	<u><u>\$ 995,355,144</u></u>

The notes to the financial statements are an integral part of this statement.

Southwest Florida Water Management District
Statement of Activities
For the Year Ended September 30, 2005

	Expenses	Charges for Services	Program Revenues	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets
			Operating Grants and Contributions		Total Governmental Activities
Functions/Programs					
Primary government:					
Governmental Activities:					
Water Resources Planning & Monitoring	\$ 28,225,093	\$ 192,074	\$ 2,719,592	-	\$ (25,313,427)
Acquisition, Restoration & Public Works	70,492,840	-	14,049,210	39,018,186	(17,425,444)
Operation & Maintenance of Lands & Works	13,754,235	1,661,289	5,603,866	-	(6,489,080)
Regulation	15,927,204	3,443,788	572,719	-	(11,910,697)
Outreach	3,707,207	-	-	-	(3,707,207)
Management and Administration	32,435,994	988,226	-	-	(31,447,768)
Total governmental activities	<u>\$ 164,542,573</u>	<u>\$ 6,285,377</u>	<u>\$ 22,945,387</u>	<u>\$ 39,018,186</u>	<u>\$ (96,293,623)</u>

General Revenues:	161,163,202
Ad Valorem Property Taxes	9,467,843
Unrestricted investment earnings	19,306,576
Other	<u>189,937,621</u>
Total general revenues	<u>93,643,998</u>
Change in net assets	901,711,146
Net assets - beginning	<u>\$ 995,355,144</u>
Net assets - ending	

The notes to the financial statements are an integral part of this statement.

**Southwest Florida Water Management District
Balance Sheet
Governmental Funds
September 30, 2005**

	<u>General</u>	<u>Alafia River Basin</u>	<u>Hillsborough River Basin</u>	<u>Northwest Hillsborough Basin</u>	<u>Coastal Rivers Basin</u>	<u>Pinellas- Anclote River Basin</u>	<u>Withlacoochee River Basin</u>	<u>Peace River Basin</u>	<u>Manasota Basin</u>	<u>SWIM Program</u>	<u>DOT Mitigation</u>	<u>Partnership Trust</u>	<u>Save Our Rivers</u>	<u>Facilities</u>	<u>Total Governmental Funds</u>
ASSETS															
Cash and Investments	\$ 129,235,889	\$ 6,019,655	\$ 10,292,031	\$ 16,665,336	\$ 9,007,962	\$ 73,011,960	\$ 13,715,107	\$ 25,304,304	\$ 30,630,804	\$ 7,052,961	\$ 260,150	\$ 86,964,669	\$ -	\$ 1,787,391	\$ 409,948,219
Due From Other Governments	6,419,339	154,325	926,408	53,013	211,590	203,760	763,875	639,565	204,421	2,786,559	1,973,547	-	605,653	-	14,942,055
Due From Other Funds	261,192	-	-	-	-	-	-	-	-	-	-	-	-	-	261,192
Interest Receivable	402,698	18,619	32,890	52,154	28,058	231,485	15,670	72,082	93,920	-	-	-	-	-	947,576
Deposits	25,000	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000
Inventories	75,912	-	-	-	-	-	-	9,463	-	-	-	-	-	-	85,375
Other Assets	239,158	260	130	405	260	-	260	-	260	-	-	-	48,640	-	289,373
Total Assets	<u>\$ 136,659,188</u>	<u>\$ 6,192,859</u>	<u>\$ 11,251,459</u>	<u>\$ 16,770,908</u>	<u>\$ 9,247,870</u>	<u>\$ 73,447,205</u>	<u>\$ 14,494,912</u>	<u>\$ 26,025,414</u>	<u>\$ 30,929,405</u>	<u>\$ 9,839,520</u>	<u>\$ 2,233,697</u>	<u>\$ 86,964,669</u>	<u>\$ 654,293</u>	<u>\$ 1,787,391</u>	<u>\$ 426,498,790</u>
LIABILITIES AND FUND BALANCES															
Liabilities:															
Accounts and Contracts Payable	7,736,375	261,001	1,187,216	313,697	1,807,182	10,288,767	634,673	5,805,426	3,224,053	2,163,539	122,953	-	46,029	49,285	33,640,196
Payroll and Related Costs	1,628,657	6,550	34,363	7,533	18,687	14,111	34,876	33,342	23,238	17,942	17,889	-	-	-	1,837,188
Contracts Payable-Retainage	469,902	4,716	8,763	-	107,523	2,026	183,842	42,868	15,297	238,146	51,813	-	-	434,202	1,559,098
Due To Other Governments	276,999	-	58,215	-	60	-	-	-	-	-	-	-	-	-	335,274
Due To Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	261,192	-	261,192
Deferred Revenue	804,875	108,024	32,445	26,970	19,326	78,476	8,750,079	2,554,985	674,699	6,329,476	2,018,635	-	347,072	-	21,745,062
Total Liabilities	<u>10,916,808</u>	<u>380,291</u>	<u>1,321,002</u>	<u>348,200</u>	<u>1,952,778</u>	<u>10,383,380</u>	<u>9,603,470</u>	<u>8,436,621</u>	<u>3,937,287</u>	<u>8,749,103</u>	<u>2,211,290</u>	<u>-</u>	<u>654,293</u>	<u>483,487</u>	<u>59,378,010</u>
Fund Balances:															
Reserved for Encumbrances	45,787,578	3,047,224	7,677,186	11,148,867	5,235,008	42,308,088	13,472,142	14,273,930	19,255,883	22,354,056	1,569,066	86,964,669	4,244,150	859,866	278,197,713
Reserved for Workers' Compensation Claims	705,000	-	-	-	-	-	-	-	-	-	-	-	-	-	705,000
Unreserved:															
Designated for Future Projects	60,576,849	2,004,655	786,828	4,107,875	1,374,777	15,290,614	-	2,394,738	3,608,769	-	-	-	-	441,739	90,586,844
Designated for Subsequent Year's Expenditures	11,236,557	649,076	1,466,443	862,610	685,307	5,465,123	-	920,125	4,127,466	-	-	-	-	2,299	25,415,006
Designated for Workers' Compensation Self-Insurance Program	225,060	-	-	-	-	-	-	-	-	-	-	-	-	-	225,060
Designated for NWSI/Partnership Reserve	5,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	5,000,000
Undesignated	2,211,336	111,613	-	303,356	-	-	(8,580,700)	-	-	(21,263,639)	(1,546,659)	-	(4,244,150)	-	(33,008,843)
Total Fund Balances	<u>125,742,380</u>	<u>5,812,568</u>	<u>9,930,457</u>	<u>16,422,708</u>	<u>7,295,092</u>	<u>63,063,825</u>	<u>4,891,442</u>	<u>17,588,793</u>	<u>26,992,118</u>	<u>1,090,417</u>	<u>22,407</u>	<u>86,964,669</u>	<u>-</u>	<u>1,303,904</u>	<u>367,120,780</u>
Total Liabilities and Fund Balances	<u>\$ 136,659,188</u>	<u>\$ 6,192,859</u>	<u>\$ 11,251,459</u>	<u>\$ 16,770,908</u>	<u>\$ 9,247,870</u>	<u>\$ 73,447,205</u>	<u>\$ 14,494,912</u>	<u>\$ 26,025,414</u>	<u>\$ 30,929,405</u>	<u>\$ 9,839,520</u>	<u>\$ 2,233,697</u>	<u>\$ 86,964,669</u>	<u>\$ 654,293</u>	<u>\$ 1,787,391</u>	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 652,916,266

Delinquent taxes are not available to pay for current period expenditures and, therefore, are not reported in the funds. 732,918

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. (25,414,820)

Net assets of governmental activities \$ 995,355,144

The notes to the financial statements are an integral part of this statement.

Southwest Florida Water Management District
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2005

	General	Alafia River Basin	Hillsborough River Basin	Northwest Hillsborough Basin	Coastal Rivers Basin	Pinellas-Anclote River Basin	Withlacoochee River Basin	Peace River Basin	Manasota Basin	SWIM Program	DOT Mitigation	Partnership Trust	Save Our Rivers	Facilities	Total Governmental Funds
REVENUES															
Ad Valorem Property Taxes	\$ 98,617,333	\$ 3,577,067	\$ 8,668,890	\$ 5,004,715	\$ 3,740,550	\$ 22,519,738	\$ 2,889,460	\$ 5,774,020	\$ 9,221,867	\$ -	\$ -	\$ -	\$ -	\$ 1,250,000	\$ 161,263,640
Intergovernmental Revenues	8,240,131	226,761	1,317,302	21,176	1,224,412	247,551	2,887,159	947,907	521,574	7,020,505	1,510,330	-	38,738,345	-	62,903,153
Interest on Invested Funds	3,254,829	139,442	286,314	343,045	206,512	1,701,680	111,092	512,911	731,205	33,063	22,407	2,125,343	-	-	9,467,843
License and Permit Fees	3,443,788	-	-	-	-	-	-	-	-	-	-	-	-	-	3,443,788
Other	2,745,974	2,816	25,583	319,534	239,883	15,457	5,446	6,302	10,787	-	-	-	-	-	3,371,782
Total Revenues	116,302,055	3,946,086	10,298,089	5,688,470	5,411,357	24,484,426	5,893,157	7,241,140	10,485,433	7,053,568	1,532,737	2,125,343	38,738,345	1,250,000	240,450,206
EXPENDITURES															
Current:															
Water Resources Planning and Monitoring	17,558,262	453,045	1,276,713	233,302	2,061,588	1,070,650	1,439,412	1,493,637	1,462,284	961,588	-	-	-	-	28,010,481
Acquisition, Restoration and Public Works	15,073,572	217,214	1,085,738	315,271	1,462,626	13,129,134	1,912,582	5,211,686	5,645,040	8,891,033	1,510,330	15,140,536	38,217,623	4,894,669	112,707,054
Operations and Maintenance of Lands and Works	7,658,202	330,581	2,279,003	202,835	1,037,269	261,753	1,450,136	661,560	478,930	-	-	-	333,415	-	14,693,684
Regulation	15,891,484	-	-	-	-	-	-	-	1,475	-	-	-	-	-	15,892,959
Outreach	1,455,189	141,845	344,196	215,679	142,924	609,149	193,217	238,619	271,703	64,097	-	-	-	-	3,676,618
Management and Administration	29,573,890	97,182	221,610	130,222	133,066	569,581	137,615	251,088	180,844	-	-	-	-	-	31,295,098
Total Expenditures	87,210,599	1,239,867	5,207,260	1,097,309	4,837,473	15,640,267	5,132,962	7,856,590	8,040,276	9,916,718	1,510,330	15,140,536	38,551,038	4,894,669	206,275,894
Excess (Deficiency) of Revenues Over (Under) Expenditures	29,091,456	2,706,219	5,090,829	4,591,161	573,884	8,844,159	760,195	(615,450)	2,445,157	(2,863,150)	22,407	(13,015,193)	187,307	(3,644,669)	34,174,312
OTHER FINANCING SOURCES (USES)															
Transfers In	-	-	-	-	-	-	-	-	-	2,865,974	-	14,138,278	-	264,800	17,269,052
Transfers Out	(6,698,370)	(823,965)	(2,802,385)	(732,075)	(615,559)	(4,856,500)	(145,292)	(366,785)	(228,121)	-	-	-	-	-	(17,269,052)
Total Other Financing Sources and Uses	(6,698,370)	(823,965)	(2,802,385)	(732,075)	(615,559)	(4,856,500)	(145,292)	(366,785)	(228,121)	2,865,974	-	14,138,278	-	264,800	-
Net Change In Fund Balances	22,393,086	1,882,254	2,288,444	3,859,086	(41,675)	3,987,659	614,903	(982,235)	2,217,036	2,824	22,407	1,123,085	187,307	(3,379,869)	34,174,312
Fund Balances (Deficit) - Beginning	103,349,294	3,930,314	7,642,013	12,563,622	7,336,767	59,076,166	4,276,539	18,571,028	24,775,082	1,087,593	-	85,841,584	(187,307)	4,683,773	332,946,468
Fund Balances - Ending	\$ 125,742,380	\$ 5,812,568	\$ 9,930,457	\$ 16,422,708	\$ 7,295,092	\$ 63,063,825	\$ 4,891,442	\$ 17,588,793	\$ 26,992,118	\$ 1,090,417	\$ 22,407	\$ 86,964,669	\$ -	\$ 1,303,904	\$ 367,120,780

Amounts reported for governmental activities in the statement of activities (page 14) are different because:

Net change in fund balances -- total governmental funds	\$ 34,174,312
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	43,439,399
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets.	16,327,346
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. However, delinquent taxes recorded as of September 30, 2005 was less than the amount recorded at prior year end, resulting in a net decrease to income.	(100,438)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(196,621)
Change in net assets of governmental activities	\$ 93,643,998

The notes to the financial statements are an integral part of this statement.

**Southwest Florida Water Management District
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Ad Valorem Property Taxes	\$ 97,975,893	\$ 97,975,893	\$ 98,617,333	\$ 641,440
Intergovernmental Revenues	11,775,091	21,932,091	8,240,131	(13,691,960)
Interest on Invested Funds	1,700,000	1,700,000	3,254,829	1,554,829
License and Permit Fees	2,300,000	2,300,000	3,443,788	1,143,788
Other	1,648,692	1,648,692	2,745,974	1,097,282
Total Revenues	<u>115,399,676</u>	<u>125,556,676</u>	<u>116,302,055</u>	<u>(9,254,621)</u>
EXPENDITURES				
Current:				
Water Resources Planning and Monitoring	28,735,749	31,442,749	17,558,262	13,884,487
Acquisition, Restoration and Public Works	97,641,386	105,091,386	15,073,572	90,017,814
Operations and Maintenance of Lands and Works	8,914,485	8,914,485	7,658,202	1,256,283
Regulation	17,752,255	17,752,255	15,891,484	1,860,771
Outreach	1,823,184	1,823,184	1,455,189	367,995
Management and Administration	37,658,520	37,658,520	29,573,890	8,084,630
Total Expenditures	<u>192,525,579</u>	<u>202,682,579</u>	<u>87,210,599</u>	<u>115,471,980</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(77,125,903)	(77,125,903)	29,091,456	106,217,359
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	(7,223,004)	(6,698,370)	524,634
Net Change In Fund Balance	<u>(77,125,903)</u>	<u>(84,348,907)</u>	<u>22,393,086</u>	<u>106,741,993</u>
Fund Balance - Beginning	-	84,348,907	103,349,294	19,000,387
Fund Balance - Ending	<u>\$ (77,125,903)</u>	<u>\$ -</u>	<u>\$ 125,742,380</u>	<u>\$ 125,742,380</u>

The notes to the financial statements are an integral part of this statement.

**Southwest Florida Water Management District
Alafia River Basin Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2005**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Ad Valorem Property Taxes	\$ 3,518,106	\$ 3,577,067	\$ 58,961
Intergovernmental Revenues	773,637	226,761	(546,876)
Interest on Invested Funds	80,000	139,442	59,442
Other	-	2,816	2,816
Total Revenues	4,371,743	3,946,086	(425,657)
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	1,040,060	453,045	587,015
Acquisition, Restoration and Public Works	3,513,836	217,214	3,296,622
Operations and Maintenance of Lands and Works	992,496	330,581	661,915
Outreach	319,243	141,845	177,398
Management and Administration	280,932	97,182	183,750
Total Expenditures	6,146,567	1,239,867	4,906,700
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,774,824)	2,706,219	4,481,043
OTHER FINANCING SOURCES (USES)			
Transfers Out	(2,018,532)	(823,965)	1,194,567
Net Change In Fund Balance	(3,793,356)	1,882,254	5,675,610
Fund Balance - Beginning	3,793,356	3,930,314	136,958
Fund Balance - Ending	\$ -	\$ 5,812,568	\$ 5,812,568

The notes to the financial statements are an integral part of this statement.

**Southwest Florida Water Management District
Hillsborough River Basin Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2005**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Ad Valorem Property Taxes	\$ 8,622,421	\$ 8,668,890	\$ 46,469
Intergovernmental Revenues	4,487,589	1,317,302	(3,170,287)
Interest on Invested Funds	160,000	286,314	126,314
Other	-	25,583	25,583
Total Revenues	13,270,010	10,298,089	(2,971,921)
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	3,593,007	1,276,713	2,316,294
Acquisition, Restoration and Public Works	5,324,101	1,085,738	4,238,363
Operations and Maintenance of Lands and Works	5,484,448	2,279,003	3,205,445
Outreach	700,887	344,196	356,691
Management and Administration	444,147	221,610	222,537
Total Expenditures	15,546,590	5,207,260	10,339,330
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,276,580)	5,090,829	7,367,409
OTHER FINANCING SOURCES (USES)			
Transfers Out	(4,763,657)	(2,802,385)	1,961,272
Net Change In Fund Balance	(7,040,237)	2,288,444	9,328,681
Fund Balance - Beginning	7,040,237	7,642,013	601,776
Fund Balance - Ending	\$ -	\$ 9,930,457	\$ 9,930,457

The notes to the financial statements are an integral part of this statement.

**Southwest Florida Water Management District
Northwest Hillsborough Basin Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2005**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Ad Valorem Property Taxes	\$ 4,995,198	\$ 5,004,715	\$ 9,517
Intergovernmental Revenues	124,419	21,176	(103,243)
Interest on Invested Funds	190,000	343,045	153,045
Other	-	319,534	319,534
Total Revenues	5,309,617	5,688,470	378,853
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	757,809	233,302	524,507
Acquisition, Restoration and Public Works	14,588,336	315,271	14,273,065
Operations and Maintenance of Lands and Works	356,761	202,835	153,926
Outreach	440,123	215,679	224,444
Management and Administration	359,440	130,222	229,218
Total Expenditures	16,502,469	1,097,309	15,405,160
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,192,852)	4,591,161	15,784,013
OTHER FINANCING SOURCES (USES)			
Transfers Out	(960,104)	(732,075)	228,029
Net Change In Fund Balance	(12,152,956)	3,859,086	16,012,042
Fund Balance - Beginning	12,152,956	12,563,622	410,666
Fund Balance - Ending	\$ -	\$ 16,422,708	\$ 16,422,708

The notes to the financial statements are an integral part of this statement.

**Southwest Florida Water Management District
Coastal Rivers Basin Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2005**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Ad Valorem Property Taxes	\$ 3,688,277	\$ 3,740,550	\$ 52,273
Intergovernmental Revenues	2,709,871	1,224,412	(1,485,459)
Interest on Invested Funds	130,000	206,512	76,512
Other	225,000	239,883	14,883
Total Revenues	<u>6,753,148</u>	<u>5,411,357</u>	<u>(1,341,791)</u>
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	3,119,959	2,061,588	1,058,371
Acquisition, Restoration and Public Works	7,282,017	1,462,626	5,819,391
Operations and Maintenance of Lands and Works	1,980,163	1,037,269	942,894
Outreach	370,812	142,924	227,888
Management and Administration	352,121	133,066	219,055
Total Expenditures	<u>13,105,072</u>	<u>4,837,473</u>	<u>8,267,599</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,351,924)	573,884	6,925,808
OTHER FINANCING SOURCES (USES)			
Transfers Out	(984,974)	(615,559)	369,415
Net Change In Fund Balance	<u>(7,336,898)</u>	<u>(41,675)</u>	<u>7,295,223</u>
Fund Balance - Beginning	7,336,898	7,336,767	(131)
Fund Balance - Ending	<u>\$ -</u>	<u>\$ 7,295,092</u>	<u>\$ 7,295,092</u>

The notes to the financial statements are an integral part of this statement.

**Southwest Florida Water Management District
Pinellas-Anclote River Basin Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2005**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Ad Valorem Property Taxes	\$ 22,371,747	\$ 22,519,738	\$ 147,991
Intergovernmental Revenues	2,258,350	247,551	(2,010,799)
Interest on Invested Funds	1,075,000	1,701,680	626,680
Other	-	15,457	15,457
TOTAL REVENUES	25,705,097	24,484,426	(1,220,671)
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	3,825,252	1,070,650	2,754,602
Acquisition, Restoration and Public Works	65,223,087	13,129,134	52,093,953
Operations and Maintenance of Lands and Works	1,618,263	261,753	1,356,510
Outreach	1,500,324	609,149	891,175
Management and Administration	1,448,585	569,581	879,004
Total Expenditures	73,615,511	15,640,267	57,975,244
Excess (Deficiency) of Revenues Over (Under) Expenditures	(47,910,414)	8,844,159	56,754,573
OTHER FINANCING SOURCES (USES)			
Transfers Out	(9,109,593)	(4,856,500)	4,253,093
Net Change In Fund Balance	(57,020,007)	3,987,659	61,007,666
Fund Balance - Beginning	57,020,007	59,076,166	2,056,159
Fund Balance - Ending	\$ -	\$ 63,063,825	\$ 63,063,825

The notes to the financial statements are an integral part of this statement.

**Southwest Florida Water Management District
Withlacoochee River Basin Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2005**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Ad Valorem Property Taxes	2,837,157	2,837,157	2,889,460	52,303
Intergovernmental Revenues	13,504,915	13,604,214	2,887,159	(10,717,055)
Interest on Invested Funds	50,000	50,000	111,092	61,092
Other	-	-	5,446	5,446
Total Revenues	<u>\$ 16,392,072</u>	<u>\$ 16,491,371</u>	<u>\$ 5,893,157</u>	<u>\$ (10,598,214)</u>
EXPENDITURES				
Current:				
Water Resources Planning and Monitoring	3,209,140	3,269,140	1,439,412	1,829,728
Acquisition, Restoration and Public Works	12,751,813	12,751,813	1,912,582	10,839,231
Operations and Maintenance of Lands and Works	2,341,210	2,380,509	1,450,136	930,373
Outreach	335,733	335,733	193,217	142,516
Management and Administration	171,615	171,615	137,615	34,000
Total Expenditures	<u>18,809,511</u>	<u>18,908,810</u>	<u>5,132,962</u>	<u>13,775,848</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,417,439)	(2,417,439)	760,195	3,177,634
OTHER FINANCING SOURCES (USES)				
Transfers Out	(1,430,232)	(1,430,232)	(145,292)	1,284,940
Net Change In Fund Balance	<u>(3,847,671)</u>	<u>(3,847,671)</u>	<u>614,903</u>	<u>4,462,574</u>
Fund Balance - Beginning	3,847,671	3,847,671	4,276,539	428,868
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,891,442</u>	<u>\$ 4,891,442</u>

The notes to the financial statements are an integral part of this statement.

**Southwest Florida Water Management District
Peace River Basin Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2005**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Ad Valorem Property Taxes	\$ 5,725,534	\$ 5,774,020	\$ 48,486
Intergovernmental Revenues	17,691,496	947,907	(16,743,589)
Interest on Invested Funds	310,000	512,911	202,911
Other	-	6,302	6,302
Total Revenues	23,727,030	7,241,140	(16,485,890)
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	3,331,739	1,493,637	1,838,102
Acquisition, Restoration and Public Works	34,988,801	5,211,686	29,777,115
Operations and Maintenance of Lands and Works	1,515,495	661,560	853,935
Outreach	557,302	238,619	318,683
Management and Administration	543,754	251,088	292,666
Total Expenditures	40,937,091	7,856,590	33,080,501
Excess (Deficiency) of Revenues Over (Under) Expenditures	(17,210,061)	(615,450)	16,594,611
OTHER FINANCING SOURCES (USES)			
Transfers Out	(1,107,042)	(366,785)	740,257
Net Change In Fund Balance	(18,317,103)	(982,235)	17,334,868
Fund Balance - Beginning	18,317,103	18,571,028	253,925
Fund Balance - Ending	\$ -	\$ 17,588,793	\$ 17,588,793

The notes to the financial statements are an integral part of this statement.

**Southwest Florida Water Management District
Manasota Basin Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2005**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Ad Valorem Property Taxes	\$ 9,219,404	\$ 9,221,867	\$ 2,463
Intergovernmental Revenues	3,790,035	521,574	(3,268,461)
Interest on Invested Funds	450,000	731,205	281,205
Other	-	10,787	10,787
Total Revenues	13,459,439	10,485,433	(2,974,006)
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	5,588,883	1,462,284	4,126,599
Acquisition, Restoration and Public Works	27,409,031	5,645,040	21,763,991
Operations and Maintenance of Lands and Works	1,288,100	478,930	809,170
Regulation	-	1,475	(1,475)
Outreach	486,001	271,703	214,298
Management and Administration	665,128	180,844	484,284
Total Expenditures	35,437,143	8,040,276	27,396,867
Excess (Deficiency) of Revenues Over (Under) Expenditures	(21,977,704)	2,445,157	24,422,861
OTHER FINANCING SOURCES (USES)			
Transfers Out	(2,669,411)	(228,121)	2,441,290
Net Change In Fund Balance	(24,647,115)	2,217,036	26,864,151
Fund Balance - Beginning	24,647,115	24,775,082	127,967
Fund Balance - Ending	\$ -	\$ 26,992,118	\$ 26,992,118

The notes to the financial statements are an integral part of this statement.

Southwest Florida Water Management District
SWIM Program Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2005

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental Revenues	\$ 33,950,577	\$ 7,020,505	\$ (26,930,072)
Interest on Invested Funds	-	33,063	33,063
Total Revenues	33,950,577	7,053,568	(26,897,009)
EXPENDITURES			
Current:			
Water Resources Planning and Monitoring	2,033,831	961,588	1,072,243
Acquisition, Restoration and Public Works	45,570,105	8,891,033	36,679,072
Outreach	207,852	64,097	143,755
Total Expenditures	47,811,788	9,916,718	37,895,070
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,861,211)	(2,863,150)	10,998,061
OTHER FINANCING SOURCES (USES)			
Transfers In	4,238,468	2,865,974	(1,372,494)
Total Other Financing Sources and Uses	4,238,468	2,865,974	(1,372,494)
Net Change In Fund Balance	(9,622,743)	2,824	9,625,567
Fund Balance - Beginning	9,622,743	1,087,593	(8,535,150)
Fund Balance - Ending	\$ -	\$ 1,090,417	\$ 1,090,417

The notes to the financial statements are an integral part of this statement.

**Southwest Florida Water Management District
 DOT Mitigation Special Revenue Fund
 Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Year Ended September 30, 2005**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental Revenues	\$ 8,327,527	\$ 1,510,330	\$ (6,817,197)
Interest on Invested Funds	-	22,407	22,407
Total Revenues	8,327,527	1,532,737	(6,794,790)
EXPENDITURES			
Current:			
Acquisition, Restoration and Public Works	8,327,527	1,510,330	6,817,197
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	22,407	22,407
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	\$ -	\$ 22,407	\$ 22,407

The notes to the financial statements are an integral part of this statement.

**Southwest Florida Water Management District
Partnership Trust Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2005**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Interest on Invested Funds	\$ <u> -</u>	\$ <u> 2,125,343</u>	\$ <u> 2,125,343</u>
EXPENDITURES			
Current:			
Acquisition, Restoration and Public Works	<u> 100,140,538</u>	<u> 15,140,536</u>	<u> 85,000,002</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(100,140,538)	(13,015,193)	87,125,345
OTHER FINANCING SOURCES (USES)			
Transfers In	<u> 15,140,538</u>	<u> 14,138,278</u>	<u> (1,002,260)</u>
Net Change In Fund Balance	<u> (85,000,000)</u>	<u> 1,123,085</u>	<u> 86,123,085</u>
Fund Balance - Beginning	<u> 85,000,000</u>	<u> 85,841,584</u>	<u> 841,584</u>
Fund Balance - Ending	<u><u> -</u></u>	<u><u> 86,964,669</u></u>	<u><u> 86,964,669</u></u>

The notes to the financial statements are an integral part of this statement.



Notes to the Financial Statements

The notes to the financial statements contain a summary of significant accounting policies and other notes considered necessary for a clear understanding of the financial statements.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
September 30, 2005

Description

The Southwest Florida Water Management District (District) is one of five regional water management districts charged by Chapter 373 of the Florida Statutes to preserve and protect the state's water resources. The District covers all or parts of 16 counties along Florida's central west coast. Approximately 17 percent of the state's total land area and roughly a quarter of its population are contained within the boundaries of the District, which stretches from Levy County in the north to Charlotte County in the south and inland as far as Highlands and Polk counties.

I. Summary of significant accounting policies

The financial statements of the District have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

A. Reporting entity

The District is an independent special district of the State of Florida and is governed by an eleven-member board, which is appointed by the Governor of Florida and confirmed by the Senate. As required by GAAP, these financial statements include all operations for which the District is financially accountable. The District is a component unit of the State of Florida for financial reporting purposes and these financial statements will be included in the State of Florida's Comprehensive Annual Financial Report as a discretely presented component unit for the fiscal year ending June 30, 2006.

B. Government-wide and fund financial statements

The government-wide financial statements consist of a statement of net assets and a statement of activities that report information about the District as a whole. The statement of net assets reports all financial and capital resources.

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

Fund financial statements are presented to report additional and detailed information about the District. Fund financial statements accompany the government-wide financial statements and present a summary reconciliation to explain differences between the data reported in the governmental funds and the data reported for the corresponding governmental activities in the government-wide financial statements.

C. Measurement focus, basis of accounting, and financial statement presentation

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.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
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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. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments are recorded only when such liabilities have matured.

Ad valorem property taxes are recorded as revenues in the fiscal year in which the taxes are due and collected within 60 days of fiscal year-end. Intergovernmental revenues are recognized at the time related expenditures are incurred. Investment earnings are recognized when earned. All other revenue items are recognized when cash is received by the District, as any potential receivable amounts are not significant.

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.

The District has eleven *special revenue funds* that are maintained to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Eight of the District's special revenue funds are watershed basins that are financed by ad valorem property taxes and supplemented by grants from federal, state and local governments. The basins account for revenue sources that are legally restricted to expenditures for specified purposes within the respective basin, offering a local perspective to water management projects and programs. A unique fund has been established for each of the individual watershed basins as follows:

- Alafia River Basin
- Hillsborough River Basin
- Northwest Hillsborough Basin
- Coastal Rivers Basin
- Pinellas-Anclote River Basin
- Withlacoochee River Basin
- Peace River Basin
- Manasota Basin

The *SWIM Program Fund* accounts for revenue sources received from the State of Florida and local governments that are legally restricted for the restoration and preservation of surface waters as provided in the Surface Water and Improvement Management (SWIM) Act created by the Florida State Legislature (see Note I.E.7, page 33).

The *DOT Mitigation Fund* accounts for revenue sources received from the State of Florida that are restricted for mitigation activities, pursuant to Section 373.4137, Florida Statutes. The state-mandated Florida Department of Transportation (FDOT) program requires that mitigation to offset the adverse wetland impacts of transportation projects be funded by the FDOT and be carried out through the Florida Department of Environmental Protection and the water management districts, in consultation with federal, state and local agencies' regulatory requirements (see Note I.E.7, page 33).

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
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The *Partnership Trust Fund* accounts for activities as defined by the Northern Tampa Bay New Water Supply and Ground Water Withdrawal Reduction Agreement. The objectives to be achieved by this agreement are developing water supply and reducing ground water pumpage, ending litigation among the parties to the agreement, and providing District financial assistance to Tampa Bay Water (see Note V.B, page 43).

The District has two *capital projects funds* that are maintained to account for financial resources to be used for the acquisition or construction of major capital projects.

The *Save Our Rivers Fund* accounts for financial resources received from the State of Florida and local governments for the acquisition of lands necessary for water management, water supply, and conservation of water resources under the Save Our Rivers and Florida Forever land acquisition programs (see Note I.E.7, page 33).

The *Facilities Fund* accounts for financial resources from the District's general fund for the acquisition of land and construction and major renovations of District facilities.

D. Classification of expenditures

The District currently categorizes the revenues, expenditures, and budget data it submits to the Governor's Office, the Department of Environmental Protection and the Legislature by six program areas. These programs, which are set forth in Section 373.536(5)(d)4, Florida Statutes, are:

1.0 Water Resources Planning and Monitoring

This 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).

2.0 Acquisition, Restoration and Public Works

This program includes the development and construction of all capital projects (except for those contained in Program 3.0), including water resource development projects/water supply development assistance, water control projects, and support and administrative facilities construction; cooperative projects; land acquisition (including Save Our Rivers/ Florida Forever); and the restoration of lands and water bodies.

3.0 Operation and Maintenance of Lands and Works

This program includes all operation and maintenance of facilities, flood control and water supply structures, lands, and other works authorized by Chapter 373, Florida Statutes.

4.0 Regulation

This 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.

5.0 Outreach (Public Education)

This 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.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
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6.0 Management and Administration

This program includes all Governing and Basin Board support; executive support; management information systems; unrestricted reserves; and general counsel, ombudsman, human resources, finance, audit, risk management, and administrative services.

E. Assets, liabilities, and net assets

1. Cash and investments.

Cash balances are pooled for investment purposes with the exception of restricted assets, which are separately invested. Cash includes cash-on-hand and demand deposits. Interest earned from investments is allocated to the respective funds based on each fund's average equity in the pooled fund.

Investments are stated at fair value pursuant to GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. It is the practice of the District to hold all government securities to maturity.

The District has limited its investments to the following investments authorized in Section 218.415, Florida Statutes: (a) Local Government Surplus Funds Trust Fund; (b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency, limited to two types of money market funds: (1) Treasury funds investing exclusively in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities or (2) Government funds which invest in U.S. Treasury and U.S. government agency and instrumentalities securities and repurchase agreements collateralized by U.S. government securities; (c) Savings accounts in state-certified public depositories, as defined in Section 280.02, Florida Statutes; (d) Certificates of deposit in state-certified public depositories, as defined in Section 280.02, Florida Statutes; (e) Direct obligations of the U.S. Treasury; and (f) Direct obligations of federal agencies and instrumentalities.

2. Inventories.

Inventories are carried at average cost and consist of expendable supplies held for consumption. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

3. Restricted assets.

Certain proceeds, including interest income, of the General Fund (\$302,664), Alafia River Basin Fund (\$100,884), Withlacoochee River Basin Fund (\$8,838,183), Peace River Basin Fund (\$2,522,379), Manasota Basin Fund (\$655,742), SWIM Program Fund (\$6,928,699), DOT Mitigation Fund (\$2,050,229), Save Our Rivers Fund (\$301,094), and the Partnership Trust Fund (\$86,964,669) are classified as restricted assets on the statement of net assets because their use is limited to specific purposes as identified within their related agreements. As long as these agreements are in effect, the cash balances, which are maintained in separate investment accounts, cannot be used for any other purpose.

4. Capital assets.

Capital assets, which include land, buildings, equipment and infrastructure assets (e.g., bridges, water control structures, levees and similar items), are reported only in the government-wide financial statements. Capital assets are those acquired for general government purposes with an

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
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initial, individual cost equal to or more than \$1,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost if purchased or constructed. Donated assets are recorded at their estimated fair value at the date of the donation. The estimated fair value is based on the most recent appraisal documentation available. Maintenance, repairs and minor renovations are not capitalized.

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

<u>Assets</u>	<u>Years</u>
Buildings	5 - 50
Machinery & Equipment	3 - 25
Infrastructure	20 - 50
Other	5

5. Compensated absences.

The accrued liability for compensated absences represents the liability for accrued vacation leave benefits plus the liability for 25 percent of accumulated sick leave benefits for employees currently eligible or likely to become eligible to receive those leave benefits in the future. The District permits employees to accumulate earned but unused vacation and sick leave benefits. The amount estimated to be used in subsequent fiscal years is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured (i.e., unused reimbursable leave still outstanding following an employee's resignation or retirement).

District employees earn vacation and sick leave benefits based on hours worked. Vacation leave benefits are fully vested when earned and employees can carry forward from one fiscal year to the next up to 240 hours of accumulated vacation leave. Sick leave benefits do not vest until an employee has earned ten years of creditable service with the District. Upon retirement, death, resignation or separation in good standing, an employee is eligible to receive, at his/her current rate of pay, 100 percent of accumulated vacation benefits and 25 percent of accumulated vested sick leave benefits (up to a maximum of 480 hours).

6. Fund balance.

The reserved portion of fund balance of the governmental fund types is reported to indicate the portion of the fund balance that 1) is not appropriable for expenditure or 2) is legally segregated for a specific future use.

The unreserved portion of fund balance is classified as either designated or undesignated. Designated fund balance identifies tentative plans for the future use of financial resources. Undesignated fund balance is available for future appropriation.

7. State trust funds.

Under Florida Statutes, the District is entitled to monies from the State of Florida, which are allocated and appropriated to various trust funds. Monies are released to the District for various programs when eligibility requirements have been met. It is the District's policy to recognize monies received through these state trust funds as intergovernmental revenues at the time an eligible cost has been incurred.

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The Water Management Lands Trust Fund was established in 1981 pursuant to Section 373.59, Florida Statutes. Funded primarily from a portion of the documentary stamp taxes collected by the state, the nonlapsing trust fund provides funding to the District for 1) land acquisition; 2) ongoing management, maintenance, and capital improvements of lands; 3) payments in lieu of taxes; 4) preacquisition costs associated with land purchases; and 5) the Surface Water Improvement and Management (SWIM) program. Revenues received from the trust fund are accounted for in the District's general fund, the watershed basin funds, the SWIM Program Fund and the Save Our Rivers Fund. The Florida Department of Environmental Protection (FDEP) has oversight responsibility for this trust fund.

The Florida Forever Trust Fund was established in 1999 pursuant to Section 259.1051, Florida Statutes. The Florida Forever program is the successor program to the Florida Preservation 2000 program. The Trust is funded through bond proceeds and may be used for 1) the acquisition of environmentally significant lands (at least 50 percent of trust funds must be used for land acquisition); 2) water resource development; 3) regional water supply planning; and 4) the SWIM program. Revenues received from the trust fund are accounted for in the Save Our Rivers Fund. The FDEP has oversight responsibility for this trust fund.

The Ecosystem Management and Restoration Trust Fund was established in 1996 pursuant to Section 403.1651, Florida Statutes. The trust fund is funded through various sources, such as documentary stamp taxes, transfers from other trust funds, general revenues, interest earnings and fines. It provides funding to the District for the detailed planning and implementation of programs for the management and restoration of ecosystems, including the SWIM program and the restoration of Lake Panasoffkee and the Weeki Wachee River. Revenues received from the trust fund are accounted for in the SWIM Program Fund, the Coastal Rivers Basin Fund, the Withlacoochee River Basin Fund, the Peace River Basin Fund and the Manasota Basin Fund. The FDEP has oversight responsibility for this trust fund.

The State Transportation Trust Fund was established in 1931 pursuant to Section 206.46, Florida Statutes. The trust fund is funded through gas tax proceeds as authorized by Chapter 83-3, Laws of Florida, and such other funds which accrue to the Florida Department of Transportation (FDOT) which are not required to be maintained in separate trust funds. It provides funding to the District for mitigation activities that offset the adverse wetland impacts of transportation projects. Revenues received from the trust fund are accounted for in the DOT Mitigation Fund. The FDOT has oversight responsibilities for this trust fund.

8. Use of estimates.

Management of the District has made a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

II. Reconciliation of government-wide and fund financial statements

A. Explanation of certain differences between the governmental funds balance sheet and the government-wide statement of net assets.

The governmental funds balance sheet includes a reconciliation between *fund balances—total governmental funds* and *net assets of governmental activities* as reported in the government-wide statement of net assets.

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One element of that reconciliation states that “Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.”

The details of the \$25,414,820 difference are as follows:

Judgment (Skyway Trap and Skeet Club, Inc., see Note IV.H.)	\$19,748,727
Compensated Absences	4,961,093
Claims (Workers’ Compensation)	<u>705,000</u>
Net adjustment to reduce <i>fund balances—total governmental funds</i> to arrive at <i>net assets of governmental activities</i>	<u>\$25,414,820</u>

B. Explanation of the differences between the governmental funds statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances—total governmental funds* and *change in net assets of governmental activities* as reported in the government-wide statement of activities. One element of the reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.”

The details of this \$43,439,399 difference are as follows:

Capital outlay	\$49,534,035
Depreciation expense	<u>(6,094,636)</u>
Net adjustment to increase <i>net change in fund balances – total governmental funds</i> to arrive at <i>change in net assets of governmental activities</i>	<u>\$43,439,399</u>

Another element of that reconciliation states that, “The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins and donations) is to increase net assets.” In the statement of activities, only the gain on the sale of capital assets is reported which caused the difference of \$16,327,346. However, in the governmental funds, the proceeds from the sale increased financial resources. Thus, the change in net assets differs from the change in fund balance by the fair market value of the donated parcel of land and the cost of the capital assets sold.

Another element of that reconciliation states “Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.” The \$100,438 difference is the net effect of taxes related to the current period that should be recorded as revenue, and taxes relating to prior years that were eliminated from revenues.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
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The final element of the reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds."

The details of this \$196,621 difference are as follows:

Judgment (Skyway Trap and Skeet Club, Inc., see Note IV.H.)	\$(51,273)
Compensated absences	<u>247,894</u>
Net adjustment to <i>decrease net change in fund balances – total governmental funds</i> to arrive at <i>change in net assets of governmental activities</i>	<u>\$196,621</u>

III. Stewardship, compliance and accountability

A. Budgetary information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Annual appropriated budgets are adopted by the Governing and Basin Boards for all governmental funds and may be amended by District Governing Board action for supplemental budgetary appropriations. Remaining appropriations encumbered or designated for future projects at fiscal year-end are carried forward and reappropriated in the following fiscal year. Unencumbered or undesignated appropriations lapse at fiscal year-end.

The District Governing Board approves budget transfers among departments and capital projects during the year. Expenditures in excess of appropriations in one or more departments of a fund do not constitute a violation of budgetary controls as long as total expenditures do not exceed total appropriations for the fund. Budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

B. Deficit undesignated fund equity

A deficit undesignated fund balance exists in the Withlacoochee River Basin Fund (\$8,580,700), the SWIM Program Fund (\$21,263,639), the DOT Mitigation Fund (\$1,546,659), and the Save Our Rivers Fund (\$4,244,150). These deficits result from contractual obligations (encumbrances) at year-end that are not eligible for reimbursement until expenditures are incurred against them, thus creating a deficit undesignated fund balance at September 30, 2005.

IV. Detailed notes

A. Cash and investments

Deposits: At September 30, 2005, the District's deposits were entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, Florida Statutes. Under this chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

At September 30, 2005, the carrying amount of the District's cash demand deposit account was a deficit (\$2,278,130) and the bank balance was \$673,043. The District actively manages its cash balance and invests excess cash on a daily basis. This may result in a negative book balance. However, a positive bank balance is maintained at all times.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
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Investments: The District's investment policy is written in accordance with Sections 373.556 and 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. The objectives of the District's investment policy are to provide safety of capital, liquidity of funds and the optimal rate of return on investments at the time of investment.

As of September 30, 2005, the District had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
U.S. Agencies	\$253,518,325	0.96
State Board of Administration Investment Pool	158,685,674	0.13
Total Fair Value	<u>\$412,203,999</u>	
Portfolio weighted average maturity		0.64

Interest rate risk: In accordance with the District's investment policy, the exposure to declines in fair values is managed by limiting the weighted average maturity of its investment portfolio to less than three years. The District's investments in U.S. Agencies are callable by the issuer and are subject to the risk of being called prior to maturity. The weighted average maturity in years was calculated assuming that no investments would be called.

Credit Risk: All of the District's investments in the U.S. Agencies were rated AAA by Standard and Poors and Aaa by Moody's Investor Services. The State Board of Administration Investment Pool is an external investment pool that is not registered with the Securities Exchange Commission (SEC), but does operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940 and, therefore, is unrated. Accordingly, the District's investments in the State Board of Administration Investment Pool have been determined based on the pool's share price, which approximates fair value.

Concentration of Credit Risk: The District's policy authorizes investment allocation limits on security types and maturity limitations which may be modified by the Finance Director from time to time based on market conditions, risk and diversification investment strategies. The District places no limit on the amount the District may invest in any one issuer. At September 30, 2005, the District had the following percentage allocation by issuer:

<u>Issuer</u>	<u>Percentage of Total Portfolio</u>
State Board of Administration Investment Pool	38.50%
Federal Home Loan Bank	33.20%
Federal Home Loan Mortgage Corporation	23.52%
Federal National Mortgage Association	2.36%
Federal Farm Credit Bank	2.42%
	100.00%

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
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The fair value of cash and investments at September 30, 2005, is summarized as follows:

	<u>FAIR VALUE</u>
U.S. Agencies	\$166,553,656
U.S. Agencies Held by Trustees	86,964,669
Investments in State Board of Administration Investment Pool	<u>158,685,674</u>
Total Investments	<u>412,203,999</u>
Demand Deposit Accounts	(2,278,130)
Petty Cash	<u>22,350</u>
Total Demand Deposits and Petty Cash	<u>(2,255,780)</u>
Total Cash and Investments	<u><u>\$409,948,219</u></u>

B. Receivables

Receivables at year-end for the District's individual major funds are as follows:

<u>Fund</u>	<u>Intergovernmental</u>	<u>Interest</u>	<u>Total Receivables</u>
General	\$6,419,339	\$402,698	\$6,822,037
Alafia River Basin	154,325	18,619	172,944
Hillsborough River Basin	926,408	32,890	959,298
Northwest Hillsborough Basin	53,013	52,154	105,167
Coastal Rivers Basin	211,590	28,058	239,648
Pinellas-Anclote River Basin	203,760	231,485	435,245
Withlacoochee River Basin	763,875	15,670	779,545
Peace River Basin	639,565	72,082	711,647
Manasota Basin	204,421	93,920	298,341
SWIM Program	2,786,559	—	2,786,559
DOT Mitigation	1,973,547	—	1,973,547
Save Our Rivers	<u>605,653</u>	—	<u>605,653</u>
Total	<u><u>\$14,942,055</u></u>	<u><u>\$947,576</u></u>	<u><u>\$15,889,631</u></u>

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
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C. Deferred Revenue

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned because all eligibility requirements have not been met. At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
General		
Delinquent property taxes receivable	\$ 453,818	
Grant drawdowns prior to meeting all eligibility requirements		\$ 351,057
Alafia River Basin		
Delinquent property taxes receivable	8,024	
Grant drawdowns prior to meeting all eligibility requirements		100,000
Hillsborough River Basin		
Delinquent property taxes receivable	32,445	
Northwest Hillsborough Basin		
Delinquent property taxes receivable	26,970	
Coastal Rivers Basin		
Delinquent property taxes receivable	19,326	
Pinellas-Anclote River Basin		
Delinquent property taxes receivable	78,476	
Withlacoochee River Basin		
Delinquent property taxes receivable	34,671	
Grant drawdowns prior to meeting all eligibility requirements		8,715,408
Peace River Basin		
Delinquent property taxes receivable	54,489	
Grant drawdowns prior to meeting all eligibility requirements		2,500,496
Manasota Basin		
Delinquent property taxes receivable	24,699	
Grant drawdowns prior to meeting all eligibility requirements		650,000
SWIM Program		
Grant drawdowns prior to meeting all eligibility requirements		6,329,476
DOT Mitigation		
Grant drawdowns prior to meeting all eligibility requirements		2,018,635
Save Our Rivers		
Other		347,072
Total deferred revenue for governmental funds	<u>\$ 732,918</u>	<u>\$ 21,012,144</u>

D. Property Taxes

Ad valorem property taxes are computed using property values at January 1 of each year and are considered to be levied upon the District Governing Board's adoption of the final millage rate in September. The taxes are due November 1 and become delinquent April 1 of the following year. A four percent discount is allowed if the taxes are paid in November, with the discount declining by one percent each month thereafter. Tax certificates for the full amount of any unpaid taxes and assessments must be sold no later than June 1 of each year at which time a lien attaches to the property.

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September 30, 2005

E. Capital Assets

Capital asset activity for the year ended September 30, 2005 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$443,002,156	\$51,670,973	\$ -	\$494,673,129
Land Interests	28,301,019	3,886,098	-	32,187,117
Construction in progress	<u>14,286,142</u>	<u>6,402,310</u>	<u>(6,840,488)</u>	<u>13,847,964</u>
 Total capital assets, not being depreciated	 <u>485,589,317</u>	 <u>61,959,381</u>	 <u>(6,840,488)</u>	 <u>540,708,210</u>
 Capital assets, being depreciated:				
Buildings	30,942,549	7,506,252	(2,336,074)	36,112,727
Machinery and Equipment	30,488,901	2,904,710	(2,047,485)	31,346,126
Infrastructure	115,610,600	1,864,237	(37,947)	117,436,890
Other	<u>102,602</u>	<u>-</u>	<u>-</u>	<u>102,602</u>
 Total capital assets being depreciated	 <u>177,144,652</u>	 <u>12,275,199</u>	 <u>(4,421,506)</u>	 <u>184,998,345</u>
 Less accumulated depreciation for:				
Buildings	(7,429,446)	(386,988)	880,356	(6,936,078)
Machinery and Equipment	(22,851,904)	(2,567,769)	2,002,698	(23,416,975)
Infrastructure	(39,240,404)	(3,128,423)	5,741	(42,363,086)
Other	<u>(62,694)</u>	<u>(11,456)</u>	<u>-</u>	<u>(74,150)</u>
 Total accumulated depreciation	 <u>(69,584,448)</u>	 <u>(6,094,636)</u>	 <u>2,888,795</u>	 <u>(72,790,289)</u>
 Total capital assets, being depreciated, net	 <u>107,560,204</u>	 <u>6,180,563</u>	 <u>(1,532,711)</u>	 <u>112,208,056</u>
 Governmental activities capital assets, net	 <u>\$593,149,521</u>	 <u>\$68,139,944</u>	 <u>\$(8,373,199)</u>	 <u>\$652,916,266</u>

Depreciation expense was charged to programs of the District as follows:

Governmental activities:	
Water Resources Planning & Monitoring	\$ 219,211
Acquisition, Restoration & Public Works	2,411,046
Operation & Maintenance of Lands & Works	1,503,866
Regulation	20,960
Outreach	16,770
Management and Administration	<u>1,922,783</u>
Total depreciation expense – governmental activities	<u>\$6,094,636</u>

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
September 30, 2005

F. Interfund receivables, payables, and transfers

Interfund receivables and payables at September 30, 2005, and interfund transfers occurring during the fiscal year are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 261,192	\$ —	\$ —	\$ 6,698,370
Alafia River Basin	—	—	—	823,965
Hillsborough River Basin	—	—	—	2,802,385
Northwest Hillsborough Basin	—	—	—	732,075
Coastal Rivers Basin	—	—	—	615,559
Pinellas-Anclote River Basin	—	—	—	4,856,500
Withlacoochee River Basin	—	—	—	145,292
Peace River Basin	—	—	—	366,785
Manasota Basin	—	—	—	228,121
SWIM Program	—	—	2,865,974	—
Partnership Trust	—	—	14,138,278	—
Save Our Rivers	—	261,192	—	—
Facilities	—	—	264,800	—
	<u>\$ 261,192</u>	<u>\$ 261,192</u>	<u>\$17,269,052</u>	<u>\$17,269,052</u>

The Interfund Receivables and Interfund Payables relate to the following:

- (1) The Save Our Rivers Capital Projects Fund had a deficit cash balance of \$261,192 at September 30, 2005. Program activities reported in this fund are funded through the Florida Forever and Water Management Lands Trust Funds on a cost reimbursement basis, thus creating a negative cash balance at year-end. The general fund advances the cash required to cover temporary cash deficits in the Save Our Rivers Fund.

Interfund Transfers In and Interfund Transfers Out are used for the following purposes:

- (1) To move General fund and Basin fund revenues to the Partnership Trust Fund annually pursuant to the Northern Tampa Bay New Water Supply and Ground Water Withdrawal Reduction Agreement described in Note V.B on page 43. During fiscal year 2005, \$14,138,278 was transferred to the Partnership Trust Fund.
- (2) To move General fund and Basin fund revenues to the SWIM Program Fund to cover the District's share of program expenditures. During fiscal year 2005, \$2,865,974 was transferred to the SWIM Program Fund.
- (3) To move General fund revenues to the Facilities Fund to finance building and ground improvements at the district's Tampa Service Office. During fiscal year 2005, \$264,800 was transferred to the Facilities Fund.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
September 30, 2005

G. Leases

Operating Leases

The District has lease commitments under various operating leases for offices and associated parking space, and Supervisory Control and Data Acquisition (SCADA) tower leases with the longest operating lease in effect until 2010. Lease expenditures for the year ended September 30, 2005, amounted to \$709,673.

Future minimum lease payments for the non-cancelable operating leases are as follows:

<u>Fiscal Year Ending</u> <u>September 30,</u>	<u>Minimum</u> <u>Lease Payments</u>
2006	\$107,452
2007	82,515
2008	53,502
2009	40,296
2010	<u>31,208</u>
	<u>\$314,973</u>

H. Long-term obligations

Long-term liability activity for the year ended September 30, 2005, was as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Due Within</u> <u>One Year</u>
Governmental activities:					
Judgment	\$19,800,000	\$ —	\$ 51,273	\$19,748,727 ⁽¹⁾	\$ 500,000
Compensated Absences	4,713,199	716,997	469,103	4,961,093 ⁽²⁾	493,394
Workers' Compensation	<u>705,000</u>	<u>435,212</u>	<u>435,212</u>	<u>705,000⁽³⁾</u>	<u>249,851</u>
Total	<u>\$25,218,199</u>	<u>\$1,152,209</u>	<u>\$955,588</u>	<u>\$25,414,820</u>	<u>\$1,243,245</u>

- (1) During the year ended September 30, 2004, the District settled a legal matter, which obligates both parties to perform certain activities. The District has estimated its cost to comply with the judgment at \$19,800,000 and is based on cost estimates obtained from a third party engineer. The Pinellas-Anclote River Basin special revenue fund will be used to satisfy the obligation for the judgment.
- (2) The general and special revenue funds will be used to satisfy the obligations for the compensated absences.
- (3) The general fund will be used to pay for workers' compensation claims.

V. Other information

A. Risk Management

The District is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural or manmade disasters. The District purchases commercial insurance coverage for all liabilities except workers' compensation as discussed below. During the year ended September 30, 2005, there were no significant reductions in insurance coverage from the prior year. In addition, no claims settlement has exceeded the insurance coverage amounts during the past three fiscal years.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
September 30, 2005

The District has a self-insurance program for its workers' compensation exposure, with excess coverage purchased for claims in excess of \$500,000 per occurrence. Current expenditures related to the self-insurance program are accounted for in the District's general fund and special revenue funds.

Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include estimates of prior and current year existing claims and incurred but not reported claims (IBNR). The long-term liability for workers' compensation claims was based on an independent actuarial determination.

Changes in the balances of workers' compensation claims liabilities during the past two years are as follows:

	Year ended 09/30/05	Year ended 09/30/04
Unpaid claims, beginning of fiscal year	\$ 705,000	\$ 745,800
Incurred claims, including IBNRs and changes in estimates	435,212	432,808
Claim payments	<u>(435,212)</u>	<u>(473,608)</u>
Unpaid claims, end of fiscal year	<u>\$ 705,000</u>	<u>\$ 705,000</u>

At September 30, 2005, general fund assets of \$930,060 were held for the purpose of funding future workers' compensation claims liabilities, with a corresponding \$705,000 reserve for workers' compensation claims and a \$225,060 designation of the general fund balance.

B. Commitments and contingencies

At September 30, 2005, the District had unrestricted net assets (as defined by GASB, Statement No. 34) of approximately \$255.5 million that may be used to meet the government's ongoing commitments to citizens and creditors. It is the District's intent to use these assets to 1) liquidate contracts and purchase orders of the prior period in the amount of \$191.2 million; and 2) to pay claims associated with the District's Workers' Compensation Self-insurance Program estimated at \$0.7 million based on an independent actuarial determination. The remaining net assets are earmarked for New Water Sources Initiative (NWSI) and Water Supply and Resource Development projects, and funding for future years.

The District's most significant commitment is under the Northern Tampa Bay New Water Supply and Ground Water Withdrawal Reduction Agreement (Partnership Agreement). The Partnership Agreement was signed in May 1998 with Tampa Bay Water and its six member governments. The Agreement provides for the development of at least 85 million gallons per day (mgd) of new water by the end of 2007 and implementation of aggressive conservation and demand management programs to reduce demand by 17 mgd. Tampa Bay Water is currently working to develop more than the 85 mgd of new supply, 68 mgd of which will reduce groundwater pumping at its central system wellfields. The development of new water will enable Tampa Bay Water to meet phased reductions in pumpage at the eleven Northern Tampa Bay wellfields. January 1, 2003, began the 12-month running average period that required an average annual withdrawal of less than 121 mgd from the consolidated wellfields. Since 2003, Tampa Bay Water has maintained withdrawals in the 90 mgd vicinity. January 1, 2008, begins the 12-month running average that will, by year end, result in an average annual withdrawal of less than 90 mgd. Under the Agreement, the District has committed to contribute \$183 million toward development of alternative water supply projects, and \$90 million toward conservation and reuse projects (at least \$9 million per year) that effectively reduce potable water use. At September 30, 2005, the District has paid a cumulative total of \$152,718,932 to a trust, which includes interest earned by the trust, held by a financial institution.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
September 30, 2005

Interest earned by the funds in the trust through 2005 will be credited toward offsetting the District's obligation of \$183 million.

The remaining payments will be made as follows:

2006	\$15,140,534
2007	<u>15,140,534</u>
Total	<u>\$30,281,068</u>

The District has been named as a defendant in several legal actions resulting from various causes. In the opinion of management and its legal counsel, any ultimate liability to the District resulting from resolution of the suits will not have a material effect on the financial condition of the District.

The District participates in various federally and state assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal and state regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a grantor audit may become a liability of the District.

C. Employee retirement systems and pension plans

The District contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer defined benefit pension plan and a defined contribution investment plan. The State of Florida Division of Retirement administers the plans. The FRS defined benefit pension plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Florida Legislature established the FRS under Chapter 121, Florida Statutes, and has sole authority to amend benefits provisions.

In March 2002, the FRS introduced a second retirement plan option – The FRS Investment Plan. The FRS Investment Plan is a defined contribution plan in which the employer's contributions are defined by law. The ultimate benefit, however, depends in part on the performance of the investment funds. The FRS Investment Plan is funded by employer contributions that are based on the employee's salary and FRS membership class. The Investment Plan directs contributions to individual member accounts, and the employee selects the allocation of funds within his/her selected funds. The FRS offers a wide selection of funds from which to choose. The employee's retirement benefit is the value of his/her account at termination. After six years of service, the Investment Plan participant is eligible for the same health insurance subsidy that is provided to the defined benefit pension plan.

Each year, the FRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Florida Department of Management Services, Division of Retirement, 1317 Winewood Blvd, Bldg 8, Tallahassee, Florida 32315-9000. The report is also available through the FRS Website.

The FRS is non-contributory for employees and the District is required to contribute an actuarially determined rate. The contribution rates by class at September 30, 2005, were as follows: regular class – 7.83 percent; senior management class – 10.45 percent; and Deferred Retirement Option Program (DROP) – 9.33 percent. The contributions of the District are established and may be amended by the Florida Legislature. Contribution rates are established statewide for all participating governmental units. Accordingly, the actuarial information and related disclosures attributable to District employees are not determinable.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Notes to the Financial Statements
September 30, 2005

The District's contributions to the FRS for the years ended September 2003, 2004 and 2005 were \$1,784,574, \$2,183,150 and \$2,798,648, respectively, equal to the required contributions for each year.

D. Subsequent event

On January 26, 2006, a second amendment to the New Water Sources Funding Agreement between the Southwest Florida Water Management District and Tampa Bay Water for the Seawater Desalination Water Supply Project of the Master Water Plan was approved. The Seawater Desalination Water Supply Project is an eligible project under the Partnership Agreement described in Note V.B on page 43. The amendment recognizes that the desalination water supply plant is currently undergoing remediation and is currently expected to achieve its in service date in the fourth quarter of calendar year 2006. Upon proper notification and occurrence of the in service date, the District will pay Tampa Bay Water 25 percent toward the District's contribution of the eligible project costs associated with the desalination plant. The District's remaining contribution will be paid to Tampa Bay Water as other eligibility requirements are met in future years as specified in the amendment. Commencing with the second amendment execution, the interest income earned on the desalination project funds held in the Partnership Trust will accrue to the benefit of Tampa Bay Water and be paid after a 12-month production period of 20 mgd expected to occur in the fourth quarter of 2008.

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Other Supplementary Information

Southwest Florida Water Management District
Save Our Rivers Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2005
(Unaudited)

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Intergovernmental Revenues	\$ 55,578,699	\$ 38,738,345	\$ (16,840,354)
EXPENDITURES			
Current:			
Acquisition, Restoration and Public Works	55,578,699	38,217,623	17,361,076
Operations and Maintenance of Lands and Works	-	333,415	(333,415)
Total Expenditures	<u>55,578,699</u>	<u>38,551,038</u>	<u>17,027,661</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	-	187,307	187,307
Fund Balance (Deficit) - Beginning	-	(187,307)	(187,307)
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying independent auditors' report.

**Southwest Florida Water Management District
Facilities Fund Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2005
(Unaudited)**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Ad Valorem Property Taxes	\$ 1,250,000	\$ 1,250,000	\$ -
EXPENDITURES			
Current:			
Acquisition, Restoration and Public Works	6,196,061	4,894,669	1,301,392
Outreach	2,000	-	2,000
Total Expenditures	6,198,061	4,894,669	1,303,392
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,948,061)	(3,644,669)	1,303,392
OTHER FINANCING SOURCES (USES)			
Transfers In	-	264,800	264,800
Net Change In Fund Balance	(4,948,061)	(3,379,869)	1,568,192
Fund Balance - Beginning	4,948,061	4,683,773	(264,288)
Fund Balance - Ending	\$ -	\$ 1,303,904	\$ 1,303,904

See accompanying independent auditors' report.



Statistical Section

The statistical tables differ from financial statements because they generally disclose more than one fiscal year and may present non-accounting data such as social and economic data and financial trends of the District.

**Southwest Florida Water Management District
General Government Expenditures by Program (1)
For The Last Five Fiscal Years**

Fiscal Year	Water Resources Planning and Monitoring	Acquisition, Restoration And Public Works	Operations And Maintenance Of Lands And Works	Regulation	Outreach-Public Education	District Management And Administration	Total Expenditures
2005	\$28,010,481 13.58%	\$112,707,054 54.64%	\$14,693,684 7.13%	\$15,892,959 7.70%	\$3,676,618 1.78%	\$31,295,098 15.17%	\$206,275,894 100.00%
2004	21,788,639 11.60%	104,049,607 55.40%	15,572,454 8.29%	14,250,561 7.59%	3,718,886 1.98%	28,428,608 15.14%	187,808,755 100.00%
2003	15,884,100 10.90%	71,952,001 49.35%	13,490,901 9.25%	13,506,724 9.26%	3,514,563 2.41%	27,445,094 18.83%	145,793,383 100.00%
2002	14,171,194 9.08%	88,255,415 56.58%	12,492,363 8.01%	12,326,062 7.90%	2,956,308 1.90%	25,792,026 16.53%	155,993,368 100.00%
2001	13,501,117 8.74%	90,912,033 58.87%	11,535,473 7.47%	11,661,561 7.55%	2,890,246 1.87%	23,944,272 15.50%	154,444,702 100.00%

(1) This schedule shows combined General Government Expenditures and includes the General, Special Revenue, and Capital Projects Funds.

Beginning with fiscal year 2001, General Government Expenditures have been presented by program area, as defined under Section 373.536(5)(d)4., Florida Statutes. Prior to fiscal year 2001, General Government Expenditures were presented according to function. The expenditures for fiscal years 1996 through 2000 have not been restated by program area and are reported on page 50.

**Southwest Florida Water Management District
General Government Expenditures by Function (1)
For Fiscal Years 1996 Through 2000**

Fiscal Year	Administrative	General Counsel	Commissions	Resource Management	Resource Regulation	Operations and Maintenance	Land Resources	Total Expenditures
2000	\$20,563,316 17.60%	\$2,179,649 1.87%	\$2,717,420 2.33%	\$37,227,422 31.87%	\$11,433,901 9.79%	\$10,669,912 9.13%	\$32,019,024 27.41%	\$116,810,644 100.00%
1999	19,600,000 18.89%	2,898,528 2.79%	2,648,974 2.55%	30,727,530 29.62%	11,386,075 10.98%	8,807,020 8.49%	27,673,935 26.68%	103,742,062 100.00%
1998	20,044,753 20.77%	1,920,256 1.99%	2,596,154 2.69%	30,193,106 31.29%	11,202,060 11.61%	8,993,553 9.32%	21,550,604 22.33%	96,500,486 100.00%
1997	20,249,262 21.53%	2,459,069 2.61%	2,375,151 2.53%	38,098,112 40.50%	10,855,908 11.54%	8,445,683 8.98%	11,581,022 12.31%	94,064,207 100.00%
1996	19,390,512 19.08%	2,903,935 2.86%	2,248,589 2.21%	33,743,970 33.20%	10,333,851 10.17%	7,864,051 7.73%	25,165,305 24.75%	101,650,213 100.00%

(1) This schedule shows combined General Government Expenditures and includes the General, Special Revenue, and Capital Projects Funds.

Beginning with fiscal year 2001, General Government Expenditures have been presented by program area, as defined under Section 373.536(5)(d)4., Florida Statutes, and are reported on page 49. Prior to fiscal year 2001, General Government Expenditures were presented according to function as reflected on this schedule. The expenditures reflect those amounts reported in the comprehensive annual financial reports for those fiscal years and have not been restated by program area.

**Southwest Florida Water Management District
General Government Revenues By Source (1)
For The Last Ten Fiscal Years**

Fiscal Year	Ad Valorem Property Taxes	Inter-Governmental Revenues	Interest on Invested Funds	License And Permit Fees	Other Revenues	Total Revenues
2005	\$161,263,640 67.07%	\$62,903,153 26.16%	\$9,467,843 3.94%	\$3,443,788 1.43%	\$3,371,782 1.40%	\$240,450,206 100.00%
2004	143,801,912 65.92%	63,138,573 28.94%	4,565,891 2.09%	3,303,915 1.51%	3,349,578 1.54%	218,159,869 100.00%
2003	129,549,220 72.24%	38,974,623 21.74%	5,490,920 3.06%	2,552,911 1.42%	2,755,089 1.54%	179,322,763 100.00%
2002	119,312,415 66.80%	47,294,407 26.48%	7,696,602 4.31%	2,357,605 1.32%	1,954,882 1.09%	178,615,911 100.00%
2001	107,871,878 60.23%	52,022,050 29.05%	15,206,819 8.49%	2,170,210 1.21%	1,825,072 1.02%	179,096,029 100.00%
2000	99,645,894 64.36%	37,926,389 24.50%	13,521,786 8.73%	2,134,534 1.38%	1,602,377 1.03%	154,830,980 100.00%
1999	94,005,983 68.39%	31,489,911 22.91%	8,565,607 6.23%	2,134,867 1.55%	1,260,264 0.92%	137,456,632 100.00%
1998	88,790,677 70.74%	23,428,458 18.66%	9,836,607 7.84%	1,967,139 1.57%	1,500,369 1.19%	125,523,250 100.00%
1997	85,085,860 76.71%	14,554,920 13.12%	7,931,848 7.15%	1,911,865 1.72%	1,442,556 1.30%	110,927,049 100.00%
1996	82,056,028 68.74%	27,596,388 23.12%	6,714,192 5.62%	1,766,919 1.48%	1,235,660 1.04%	119,369,187 100.00%

(1) This schedule includes General, Special Revenue and Capital Projects Funds.

**Southwest Florida Water Management District
Ad Valorem Property Tax Revenues By Source (1)
For The Last Ten Fiscal Years**

Fiscal Year	District	Basin										Facilities Fund	Total	Percent Base Year	Annual Change In Percent
		Alafia River Basin	Hillsborough River Basin	Northwest Hillsborough Basin	Coastal Rivers Basin	Pinellas-Anclote River Basin	Withlacoochee River Basin	Peace River Basin	Manasota Basin	Total					
2005	\$98,617,333	\$3,577,067	\$8,668,890	\$5,004,715	\$3,740,550	\$22,519,738	\$2,889,460	\$5,774,020	\$9,221,867	\$1,250,000	\$161,263,640	196.5 %	21.3 %		
2004	88,260,896	2,517,053	7,125,716	4,593,204	3,317,387	20,270,787	2,598,289	6,038,604	8,104,976	975,000	143,801,912	175.2	17.3		
2003	77,833,580	2,257,796	6,503,367	4,218,523	3,042,400	18,492,468	2,317,120	5,454,067	7,129,899	2,300,000	129,549,220	157.9	12.5		
2002	72,255,628	2,037,219	6,068,473	3,956,118	2,829,355	17,218,219	2,330,146	5,080,107	6,287,150	1,250,000	119,312,415	145.4	13.9		
2001	65,161,463	1,797,473	5,341,977	3,482,779	2,600,589	15,801,596	2,105,648	4,678,499	5,651,854	1,250,000	107,871,878	131.5	10.1		
2000	59,945,401	1,622,336	5,004,344	2,984,970	2,467,984	14,804,987	1,907,895	4,364,669	5,193,308	1,350,000	99,645,894	121.4	6.8		
1999	56,485,528	1,510,639	4,611,989	2,771,906	2,340,201	14,148,290	1,748,138	4,220,523	4,847,044	1,321,725	94,005,983	114.6	6.4		
1998	54,139,099	1,363,588	4,263,250	2,542,692	2,268,001	13,493,162	1,648,864	4,069,071	4,552,950	450,000	88,790,677	108.2	4.5		
1997	51,362,703	1,254,558	4,106,343	2,343,650	2,189,734	13,030,027	1,569,764	3,892,729	4,875,352	461,000	85,085,860	103.7	3.7		
1996	49,791,963	1,196,792	3,859,642	2,249,167	2,117,823	12,654,568	1,507,294	3,790,130	4,623,649	265,000	82,056,028	100.0	0.0		

(1) This schedule includes General, Special Revenue and Capital Projects Funds.

**Southwest Florida Water Management District
Ad Valorem Property Tax Revenues By County
For The Last Ten Fiscal Years**

Fiscal Year	Charlotte County	Citrus County	Desoto County	Hardee County	Hernando County	Highlands County	Hillsborough County	Lake County	Levy County
2005	\$7,625,085 4.73%	\$4,604,586 2.86%	\$648,433 0.40%	\$830,431 0.51%	\$4,046,797 2.51%	\$1,844,887 1.14%	\$37,314,510 23.14%	\$19,355 0.01%	\$419,712 0.26%
2004	6,519,997 4.54%	4,192,495 2.92%	608,992 0.42%	821,026 0.57%	3,619,738 2.52%	1,683,539 1.17%	33,715,627 23.45%	16,680 0.01%	363,008 0.25%
2003	5,581,364 4.31%	3,851,404 2.97%	514,879 0.40%	677,976 0.52%	3,275,779 2.53%	1,531,531 1.18%	30,796,818 23.77%	14,627 0.01%	338,310 0.26%
2002	4,993,772 4.19%	3,654,434 3.06%	514,580 0.43%	559,349 0.47%	3,063,314 2.57%	1,480,066 1.24%	28,691,946 24.05%	13,303 0.01%	325,122 0.27%
2001	4,527,994 4.20%	3,409,021 3.16%	463,960 0.43%	524,720 0.49%	2,776,543 2.57%	1,415,411 1.31%	25,349,449 23.50%	12,643 0.01%	300,825 0.28%
2000	4,098,324 4.11%	3,209,940 3.22%	438,792 0.44%	527,027 0.53%	2,649,084 2.66%	1,341,544 1.35%	22,973,329 23.05%	10,821 0.01%	281,085 0.28%
1999	3,882,244 4.13%	3,029,739 3.22%	409,732 0.44%	509,422 0.54%	2,494,811 2.65%	1,282,282 1.36%	21,330,466 22.69%	10,811 0.01%	266,208 0.28%
1998	3,750,204 4.22%	2,947,103 3.32%	401,469 0.45%	488,551 0.55%	2,418,917 2.72%	1,275,673 1.44%	19,612,647 22.09%	10,383 0.01%	248,423 0.28%
1997	3,764,552 4.42%	2,791,048 3.28%	385,403 0.45%	489,316 0.58%	2,362,118 2.78%	1,212,954 1.43%	18,130,918 21.31%	10,003 0.01%	239,136 0.28%
1996	3,679,630 4.48%	2,695,442 3.29%	379,465 0.46%	445,878 0.54%	2,278,528 2.78%	1,175,996 1.43%	17,567,420 21.41%	11,404 0.02%	228,327 0.28%

(Continued)

**Southwest Florida Water Management District
Ad Valorem Property Tax Revenues By County
For The Last Ten Fiscal Years
(Continued)**

Fiscal Year	Manatee County	Marion County	Pasco County	Pinellas County	Polk County	Sarasota County	Sumter County	Total
2005	\$11,849,868 7.35%	\$2,304,740 1.43%	\$11,154,070 6.92%	\$43,617,283 27.05%	\$11,734,719 7.28%	\$21,693,705 13.45%	\$1,555,459 0.96%	\$161,263,640 100.00%
2004	10,377,230 7.22%	2,031,561 1.41%	9,497,470 6.60%	39,362,797 27.37%	10,545,318 7.33%	19,146,756 13.31%	1,299,678 0.91%	143,801,912 100.00%
2003	9,102,886 7.03%	1,822,527 1.41%	8,341,467 6.44%	36,147,693 27.90%	9,548,241 7.37%	16,832,207 12.99%	1,171,511 0.91%	129,549,220 100.00%
2002	8,019,003 6.72%	1,743,415 1.46%	7,507,878 6.29%	33,854,882 28.37%	9,014,593 7.56%	14,839,812 12.44%	1,036,946 0.87%	119,312,415 100.00%
2001	7,161,501 6.64%	1,594,177 1.48%	6,707,029 6.22%	31,020,770 28.75%	8,360,747 7.75%	13,395,311 12.42%	851,777 0.79%	107,871,878 100.00%
2000	6,565,397 6.59%	1,435,778 1.44%	6,176,589 6.20%	29,042,944 29.15%	7,860,437 7.89%	12,324,792 12.37%	710,011 0.71%	99,645,894 100.00%
1999	6,183,943 6.58%	1,322,793 1.41%	5,736,126 6.10%	27,781,399 29.56%	7,728,727 8.22%	11,449,390 12.18%	587,890 0.63%	94,005,983 100.00%
1998	5,773,126 6.50%	1,228,892 1.38%	5,424,918 6.11%	26,518,202 29.87%	7,387,532 8.32%	10,785,132 12.15%	519,505 0.59%	88,790,677 100.00%
1997	5,650,891 6.64%	1,163,757 1.37%	5,333,746 6.27%	25,638,073 30.12%	6,863,179 8.07%	10,595,035 12.45%	455,731 0.54%	85,085,860 100.00%
1996	5,402,514 6.58%	1,124,164 1.37%	4,999,322 6.09%	24,914,105 30.36%	6,715,133 8.18%	10,014,493 12.21%	424,207 0.52%	82,056,028 100.00%

**Southwest Florida Water Management District
Fund Balance Comparison To Annual Expenditures
For The Last Ten Fiscal Years**

Fiscal Year	General Fund			Special Revenue Funds			Balance As Percentage of Expenditures
	Unreserved Fund Balance	Annual Expenditures	Balance As Percentage of Expenditures	Fiscal Year	Unreserved Fund Balance	Annual Expenditures	
2005	\$79,249,802	\$87,210,599	90.87 %	2005	\$12,768,377	\$75,619,588	16.89 %
2004	63,927,282	70,871,896	90.20	2004	17,043,939	76,946,507	22.15
2003	56,889,560	64,095,574	88.76	2003	(992,560) (1)	54,361,367	(1.83)
2002	46,918,577	57,907,902	81.02	2002	19,148,603	61,062,553	31.36
2001	31,134,254	62,170,953	50.08	2001	24,699,711	45,953,696	53.75
2000	19,839,086	57,829,330	34.31	2000	23,679,518	29,696,817	79.74
1999	14,145,824	54,679,414	25.87	1999	19,846,207	21,601,411	91.87
1998	37,108,127	53,231,368	69.71	1998	45,297,807	24,225,257	186.99
1997	25,762,708	53,091,159	48.53	1997	31,603,258	32,033,509	98.66
1996	18,998,801	50,815,112	37.39	1996	19,350,525	27,633,433	70.03

(Continued)

(1) The deficit unreserved fund balance resulted from encumbrances accounted for in three of the District's special revenue funds: the Withlacoochee River Basin, SWIM Program, and DOT Mitigation. The encumbrances are contractual obligations of the District that are not eligible for reimbursement until expenditures are incurred against them; thus, creating an overall deficit unreserved fund balance at year-end.

**Southwest Florida Water Management District
Fund Balance Comparison To Annual Expenditures
For The Last Ten Fiscal Years
(Continued)**

		Capital Projects Funds				Total	
Fiscal Year	Unreserved Fund Balance	Annual Expenditures	Balance As Percentage of Expenditures	Fiscal Year	Unreserved Fund Balance	Annual Expenditures	Balance As Percentage of Expenditures
2005	\$(3,800,112) (2)	\$43,445,707	(8.75) %	2005	\$88,218,067	\$206,275,894	42.77 %
2004	(26,643,785) (2)	39,990,352	(66.63)	2004	54,327,436	187,808,755	28.93
2003	(8,445,145) (2)	27,336,442	(30.89)	2003	47,451,855	145,793,383	32.55
2002	(1,974,847) (2)	37,022,913	(5.33)	2002	64,092,333	155,993,368	41.09
2001	(26,545,080) (2)	46,320,053	(57.31)	2001	29,288,885	154,444,702	18.96
2000	(3,556,230) (2)	29,284,497	(12.14)	2000	39,962,374	116,810,644	34.21
1999	(7,856,135) (2)	24,836,443	(31.63)	1999	26,135,896	101,117,268	25.85
1998	781,003	19,043,861	4.10	1998	83,186,937	96,500,486	86.20
1997	625,569	8,939,539	7.00	1997	57,991,535	94,064,207	61.65
1996	796,077	23,201,668	3.43	1996	39,145,403	101,650,213	38.51

(2) The deficit unreserved fund balance resulted from encumbrances at year-end for impending land purchases in the Save Our Rivers Capital Projects Fund. The land purchases have been or will be funded from the Water Management Lands Trust Fund, the Preservation 2000 Trust Fund, or the Florida Forever Trust Fund (the successor program to Preservation 2000). The cash required to finance the purchases is or will be recorded in the Capital Projects Fund with the revenue deferred at year-end or is reserved in the named State of Florida trust funds until required by the District for land acquisitions.

**Southwest Florida Water Management District
Ad Valorem Property Tax Levies, Tax Collections And Assessed Valuations
For The Last Ten Fiscal Years**

Fiscal Year	Assessed Valuation	Total Tax Levy (1)	Current Tax Collections	Percent Of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent Of Total Tax Collection To Tax Levy
2005	\$244,929,632,264	\$160,203,737	\$159,400,042	99.50%	\$1,863,598	\$161,263,640	100.66%
2004	218,825,726,760	142,878,252	142,874,841	100.00%	927,071	143,801,912	100.65%
2003	196,733,416,139	129,287,121	128,923,451	99.72%	625,769	129,549,220	100.20%
2002	179,984,482,391	118,192,061	118,351,223	100.13%	961,192	119,312,415	100.95%
2001	162,692,043,704	107,051,963	106,626,498	99.60%	1,245,380	107,871,878	100.77%
2000	150,544,563,710	99,153,543	98,856,352	99.70%	789,542	99,645,894	100.50%
1999	141,288,924,735	93,088,275	93,352,010	100.28%	653,973	94,005,983	100.99%
1998	133,560,002,552	88,033,728	88,296,672	100.30%	494,005	88,790,677	100.86%
1997	126,836,423,345	84,214,617	84,620,186	100.48%	465,674	85,085,860	101.03%
1996	122,364,012,683	81,322,911	81,487,661	100.20%	568,367	82,056,028	100.90%

(1) Total Tax Levy represents the budgeted tax levy for the District and Basins.

Source: District Records - Finance Department, Budget Section; Department of Revenue; County Governments.

**Southwest Florida Water Management District
Taxable Assessed And Estimated Actual Value Of Taxable Property
For The Last Ten Fiscal Years**

Fiscal Year	Charlotte County		Citrus County		Desoto County		Hardee County	
	Taxable Assessed Value (1)	Estimated Actual (2)	Taxable Assessed Value (1)	Estimated Actual (2)	Taxable Assessed Value (1)	Estimated Actual (2)	Taxable Assessed Value (1)	Estimated Actual (2)
2005	\$12,924,151,263 5.28%	\$21,061,621,462	\$7,061,830,905 2.89%	\$10,331,795,930	\$1,049,892,450 0.43%	\$2,094,506,489	\$1,395,590,539 0.57%	\$2,000,214,062
2004	10,868,251,435 4.97%	16,470,519,948	6,377,731,045 2.91%	7,953,046,751	1,006,248,987 0.46%	1,795,866,626	1,381,408,737 0.63%	1,841,574,901
2003	9,397,451,189 4.78%	13,787,164,905	5,951,463,421 3.03%	7,074,397,845	861,104,943 0.44%	1,680,115,048	1,129,707,419 0.57%	1,584,505,572
2002	8,386,850,539 4.66%	11,765,949,970	5,585,926,065 3.10%	6,257,479,829	860,588,600 0.48%	1,641,097,760	934,388,620 0.52%	1,555,385,773
2001	7,595,307,510 4.67%	10,329,838,220	5,186,796,299 3.19%	5,708,577,441	769,162,554 0.47%	1,608,953,885	876,412,155 0.54%	1,585,134,436
2000	6,923,396,053 4.60%	9,497,812,520	4,889,387,557 3.25%	5,308,083,181	738,754,884 0.49%	1,523,122,233	886,008,919 0.59%	1,533,016,212
1999	6,532,613,607 4.62%	8,578,159,248	4,636,024,601 3.28%	5,026,928,200	685,385,819 0.49%	1,485,278,334	853,546,216 0.60%	1,572,693,024
1998	6,279,933,532 4.70%	7,980,139,729	4,547,012,499 3.40%	4,705,350,500	667,456,789 0.50%	1,417,511,147	820,909,640 0.61%	1,523,595,499
1997	6,276,526,201 4.95%	7,607,952,513	4,301,587,444 3.39%	4,579,093,150	636,734,249 0.50%	1,378,877,006	812,859,961 0.64%	1,493,719,593
1996	6,142,476,115 5.02%	7,623,288,929	4,170,592,389 3.41%	4,448,001,864	654,571,553 0.53%	1,353,095,528	745,909,968 0.61%	1,501,142,583

(1) Assessments are calculated at 100% of market value less exempt and immune values.

(2) The estimated actual represents the estimated total value of taxable property within the 16-county area encompassed by the District. Only portions of six of the counties lie within the District boundaries (Charlotte, Highlands, Lake, Levy, Marion and Polk counties).

Source: Florida Statistical Abstract, State of Florida, Department of Revenue, and District Records - Finance Department, Budget Section.

(Continued)

Southwest Florida Water Management District
Taxable Assessed And Estimated Actual Value Of Taxable Property
For The Last Ten Fiscal Years
(Continued)

Fiscal Year	Hernando County		Highlands County		Hillsborough County		Lake County	
	Taxable Assessed Value (1)	Estimated Actual (2)	Taxable Assessed Value (1)	Estimated Actual (2)	Taxable Assessed Value (1)	Estimated Actual (2)	Taxable Assessed Value (1)	Estimated Actual (2)
2005	\$6,302,986,453 2.57%	\$11,004,596,658	\$2,933,630,183 1.20%	\$5,710,710,588	\$55,903,214,952 22.82%	\$87,484,564,131	\$46,727,001 0.02%	\$17,331,655,024
2004	5,600,584,555 2.56%	8,746,471,806	2,690,892,370 1.23%	4,688,682,365	50,779,806,100 23.21%	72,964,455,006	40,709,970 0.02%	14,415,158,888
2003	5,122,539,116 2.60%	7,642,982,147	2,565,605,756 1.30%	4,194,944,329	46,355,925,135 23.56%	64,837,890,327	35,141,203 0.02%	12,541,891,742
2002	4,734,177,073 2.63%	6,820,855,210	2,477,528,213 1.38%	3,949,400,610	42,891,979,863 23.83%	59,207,297,196	32,358,284 0.02%	11,114,607,760
2001	4,303,861,686 2.65%	6,246,678,319	2,385,636,554 1.47%	3,782,245,187	37,682,680,554 23.16%	53,291,862,679	29,283,069 0.02%	10,087,584,597
2000	4,096,364,117 2.72%	5,562,618,435	2,251,151,995 1.49%	3,645,550,032	34,496,030,668 22.91%	46,085,148,076	27,754,082 0.02%	9,238,981,450
1999	3,843,732,046 2.72%	5,288,124,346	2,148,770,949 1.52%	3,580,436,059	31,747,753,743 22.47%	41,379,146,380	25,861,753 0.02%	8,348,378,288
1998	3,752,464,158 2.81%	5,026,183,128	2,115,610,971 1.58%	3,248,707,921	29,180,233,724 21.85%	38,338,369,171	25,571,676 0.02%	7,670,282,422
1997	3,648,652,323 2.88%	4,856,424,853	2,030,513,798 1.60%	3,387,143,201	26,904,587,783 21.21%	35,281,572,634	23,327,222 0.02%	7,150,688,018
1996	3,541,921,564 2.89%	4,736,578,644	2,030,724,630 1.66%	3,152,686,677	26,214,178,347 21.42%	32,969,504,023	29,797,558 0.02%	6,711,434,701

(1) Assessments are calculated at 100% of market value less exempt and immune values.

(2) The estimated actual represents the estimated total value of taxable property within the 16-county area encompassed by the District. Only portions of six of the counties lie within the District boundaries (Charlotte, Highlands, Lake, Levy, Marion and Polk counties).

Source: Florida Statistical Abstract, State of Florida, Department of Revenue, and District Records - Finance Department, Budget Section.

(Continued)

Southwest Florida Water Management District
Taxable Assessed And Estimated Actual Value Of Taxable Property
For The Last Ten Fiscal Years
(Continued)

Fiscal Year	Levy County		Manatee County		Marion County		Pasco County	
	Taxable Assessed Value (1)	Estimated Actual (2)	Taxable Assessed Value (1)	Estimated Actual (2)	Taxable Assessed Value (1)	Estimated Actual (2)	Taxable Assessed Value (1)	Estimated Actual (2)
2005	\$634,607,144 0.26%	\$2,892,868,688	\$21,188,932,148 8.65%	\$31,744,642,359	\$3,412,304,183 1.39%	\$19,412,346,247	\$16,171,800,551 6.60%	\$27,816,171,324
2004	549,645,916 0.25%	2,319,580,260	18,574,279,816 8.49%	26,527,994,186	3,020,525,681 1.38%	16,203,462,528	13,883,582,485 6.34%	22,177,518,936
2003	514,932,657 0.26%	1,828,924,432	16,270,421,255 8.27%	22,702,620,085	2,738,924,877 1.39%	14,177,653,309	12,262,273,454 6.23%	18,859,943,686
2002	472,650,625 0.26%	1,709,505,277	14,359,883,510 7.98%	19,384,158,966	2,501,256,463 1.39%	12,819,400,375	11,002,947,919 6.11%	16,827,458,579
2001	440,252,953 0.27%	1,507,735,121	12,789,045,630 7.86%	16,654,859,576	2,283,066,481 1.40%	11,587,044,419	9,875,275,051 6.07%	14,926,055,100
2000	407,621,875 0.27%	1,450,180,272	11,586,175,475 7.70%	14,792,186,341	2,044,822,224 1.36%	10,660,989,518	9,092,768,760 6.04%	13,152,044,529
1999	379,082,077 0.27%	1,342,014,746	10,959,496,359 7.76%	13,519,211,907	1,884,601,020 1.33%	9,835,274,891	8,363,185,159 5.92%	12,087,492,344
1998	355,309,292 0.27%	1,292,901,965	10,211,809,447 7.65%	12,707,449,501	1,732,842,965 1.30%	9,241,624,880	7,957,419,741 5.96%	10,904,978,467
1997	340,241,843 0.27%	1,227,578,185	9,719,900,185 7.66%	11,872,639,912	1,665,146,896 1.31%	8,497,514,091	7,606,689,696 6.00%	10,444,615,432
1996	324,957,950 0.27%	1,182,521,550	9,193,173,086 7.51%	11,221,012,647	1,601,263,175 1.31%	8,274,380,820	7,338,831,875 6.00%	9,952,847,775

(1) Assessments are calculated at 100% of market value less exempt and immune values.

(2) The estimated actual represents the estimated total value of taxable property within the 16-county area encompassed by the District. Only portions of six of the counties lie within the District boundaries (Charlotte, Highlands, Lake, Levy, Marion and Polk counties).

Source: Florida Statistical Abstract, State of Florida, Department of Revenue, and District Records - Finance Department, Budget Section.

(Continued)

Southwest Florida Water Management District
Taxable Assessed And Estimated Actual Value Of Taxable Property
For The Last Ten Fiscal Years
(Continued)

Fiscal Year	Pinellas County		Polk County		Sarasota County		Sumter County		Total	
	Taxable Assessed Value (1)	Estimated Actual (2)	Taxable Assessed Value (1)	Estimated Actual (2)	Taxable Assessed Value (1)	Estimated Actual (2)	Taxable Assessed Value (1)	Estimated Actual (2)	Taxable Assessed Value (1)	Estimated Actual (2)
2005	\$54,946,057,068 22.43%	\$87,782,983,400	\$19,808,792,690 8.09%	\$27,996,939,791	\$38,833,229,197 15.85%	\$62,014,707,687	\$2,315,885,537 0.95%	\$5,142,166,017	\$244,929,632,264 100.00%	\$421,822,489,857
2004	49,736,379,395 22.73%	74,989,311,400	18,175,358,199 8.31%	23,218,366,615	34,139,701,996 15.60%	50,785,454,437	2,000,620,073 0.91%	3,487,213,628	218,825,726,760 100.00%	348,584,678,281
2003	45,522,214,631 23.15%	66,487,561,200	16,372,841,445 8.32%	21,243,060,892	29,864,864,281 15.18%	43,539,696,480	1,768,005,357 0.90%	2,944,121,089	196,733,416,139 100.00%	305,127,473,088
2002	42,412,684,581 23.56%	59,343,393,200	15,470,541,404 8.60%	20,383,440,390	26,353,336,881 14.64%	36,752,413,719	1,507,383,751 0.84%	2,650,276,940	179,984,482,391 100.00%	272,182,121,554
2001	39,016,510,925 23.98%	52,852,990,700	14,449,672,403 8.88%	18,441,382,093	23,783,753,695 14.62%	31,567,616,197	1,225,326,185 0.75%	2,359,021,549	162,692,043,704 100.00%	242,537,579,519
2000	36,571,099,997 24.29%	47,860,664,200	13,583,962,496 9.02%	16,609,984,276	21,930,739,771 14.57%	28,256,271,308	1,018,524,837 0.68%	1,778,675,015	150,544,563,710 100.00%	216,955,327,598
1999	34,874,382,682 24.69%	44,382,705,500	13,168,283,712 9.32%	15,365,515,433	20,352,366,804 14.40%	25,931,541,134	833,838,188 0.59%	1,528,838,454	141,288,924,735 100.00%	199,251,738,288
1998	33,311,305,395 24.94%	42,355,438,300	12,726,018,383 9.53%	14,780,658,503	19,137,443,797 14.33%	23,801,300,412	738,660,543 0.55%	1,297,878,196	133,560,002,552 100.00%	186,292,369,741
1997	32,213,721,168 25.40%	40,358,853,400	11,803,162,322 9.31%	14,312,480,973	18,205,445,978 14.35%	22,127,308,749	647,326,276 0.51%	1,171,123,629	126,836,423,345 100.00%	175,747,585,339
1996	31,261,015,545 25.55%	39,118,947,700	11,339,575,907 9.27%	13,518,642,455	17,167,542,233 14.03%	20,950,707,330	607,480,788 0.50%	1,062,030,622	122,364,012,683 100.00%	167,776,823,848

(1) Assessments are calculated at 100% of market value less exempt and immune values.

(2) The estimated actual represents the estimated total value of taxable property within the 16-county area encompassed by the District. Only portions of six of the counties lie within the District boundaries (Charlotte, Highlands, Lake, Levy, Marion and Polk counties).

Source: Florida Statistical Abstract, State of Florida, Department of Revenue, and District Records - Finance Department, Budget Section.

**Southwest Florida Water Management District
Ad Valorem Property Tax Rates--All Direct And Overlapping Governments (Per \$1000 Assessed Valuation)
For The Last Ten Fiscal Years**

County	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
Charlotte										
County Government	5.3709	4.7709	4.8709	4.8709	4.7141	4.7141	4.7141	4.5992	4.5992	4.5278
District School Board	7.3090	8.2090	8.1080	8.2740	8.7544	8.8220	9.1360	9.7310	9.5965	9.8612
Other Millage	3.1904	3.2278	3.6840	3.6927	3.3355	2.8947	3.3050	3.3664	2.9754	3.1076
Total	<u>15.8703</u>	<u>16.2077</u>	<u>16.6629</u>	<u>16.8376</u>	<u>16.8040</u>	<u>16.4308</u>	<u>17.1551</u>	<u>17.6966</u>	<u>17.1711</u>	<u>17.4966</u>
Citrus										
County Government	8.0076	8.4179	8.4179	8.4179	8.4176	8.4179	8.4176	8.4916	7.9196	7.9196
District School Board	7.9240	8.1460	8.2960	8.6670	8.7800	8.5710	8.9430	9.1440	9.8160	9.8160
Other Millage	3.5597	3.7748	3.0732	3.0624	3.0402	3.1253	3.0960	3.1433	3.2170	3.2170
Total	<u>19.4913</u>	<u>20.3387</u>	<u>19.7871</u>	<u>20.1473</u>	<u>20.2378</u>	<u>20.1142</u>	<u>20.4566</u>	<u>20.7789</u>	<u>20.9526</u>	<u>20.9526</u>
Desoto										
County Government	8.5514	8.5514	8.5514	8.5514	8.5514	8.4800	8.4800	8.4800	8.4800	8.4800
District School Board	8.2530	8.4540	8.2420	8.4280	8.6220	8.7060	9.3010	9.5570	8.6490	8.7230
Other Millage	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170
Total	<u>17.4214</u>	<u>17.6224</u>	<u>17.4104</u>	<u>17.5964</u>	<u>17.7904</u>	<u>17.8030</u>	<u>18.3980</u>	<u>18.6540</u>	<u>17.7460</u>	<u>17.8200</u>
Hardee										
County Government	8.7064	8.7064	8.7500	8.2500	8.5000	8.7500	8.7500	8.7500	9.7500	10.0000
District School Board	7.9230	8.1120	8.5780	8.5810	8.7340	8.6510	9.1510	9.6300	9.6100	9.2350
Other Millage	1.0079	1.0110	1.0150	1.0997	1.2010	1.2440	1.2370	1.2610	1.1970	1.2930
Total	<u>17.6373</u>	<u>17.8294</u>	<u>18.3430</u>	<u>17.9307</u>	<u>18.4350</u>	<u>18.6450</u>	<u>19.1380</u>	<u>19.6410</u>	<u>20.5570</u>	<u>20.5280</u>

(Continued)

Southwest Florida Water Management District
Ad Valorem Property Tax Rates--All Direct And Overlapping Governments (Per \$1000 Assessed Valuation)
For The Last Ten Fiscal Years
(Continued)

County	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
Hernando										
County Government	8.3106	8.4204	8.4204	8.4204	8.4204	8.4204	8.6704	8.7749	8.9580	8.9580
District School Board	8.5140	8.9590	9.3760	9.5610	9.8870	10.1760	10.4820	10.8510	10.8510	10.7930
Other Millage	4.1364	4.2584	3.3389	3.7170	3.5603	3.5613	3.5315	3.5502	3.5502	3.5952
Total	<u>20.9610</u>	<u>21.6378</u>	<u>21.1353</u>	<u>21.6984</u>	<u>21.8677</u>	<u>22.1577</u>	<u>22.6839</u>	<u>23.1761</u>	<u>23.3592</u>	<u>23.3462</u>
Highlands										
County Government	9.0000	9.0000	9.0000	9.0000	8.5000	8.5000	8.5000	8.5000	8.5000	8.5000
District School Board	8.1350	8.4750	8.7370	8.7660	8.6940	8.7280	8.9550	9.2480	9.2290	9.2480
Other Millage	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170	0.6170
Total	<u>17.7520</u>	<u>18.0920</u>	<u>18.3540</u>	<u>18.3830</u>	<u>17.8110</u>	<u>17.8450</u>	<u>18.0720</u>	<u>18.3650</u>	<u>18.3460</u>	<u>18.3650</u>
Hillsborough										
County Government	9.7341	9.9141	9.7377	9.7377	9.9909	10.1435	10.2165	10.3444	10.4347	10.5791
District School Board	7.9370	8.3609	8.5950	8.5950	8.5860	8.7150	9.0710	9.5310	9.5880	9.9542
Other Millage	5.6690	5.6463	5.7179	5.7179	5.6344	5.6112	5.6548	5.6340	5.6339	5.6339
Total	<u>23.3401</u>	<u>23.9213</u>	<u>24.0506</u>	<u>24.0506</u>	<u>24.2113</u>	<u>24.4697</u>	<u>24.9423</u>	<u>25.5094</u>	<u>25.6566</u>	<u>26.1672</u>
Lake										
County Government	5.7970	5.8170	5.9170	5.9170	5.1170	5.1170	4.7330	4.7330	4.7330	4.9090
District School Board	7.9810	7.9900	8.4400	8.3950	8.2020	8.4950	8.7420	9.1900	9.1000	9.2280
Other Millage	2.8279	2.8700	2.8989	4.2948	4.2129	2.7170	2.2340	2.4938	2.4388	2.4388
Total	<u>16.6059</u>	<u>16.6770</u>	<u>17.2559</u>	<u>18.6068</u>	<u>17.5319</u>	<u>16.3290</u>	<u>15.7090</u>	<u>16.4168</u>	<u>16.2718</u>	<u>16.5758</u>

(Continued)

Southwest Florida Water Management District
Ad Valorem Property Tax Rates--All Direct And Overlapping Governments (Per \$1000 Assessed Valuation)
For The Last Ten Fiscal Years
(Continued)

County	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
Levy										
County Government	9.0000	9.0000	9.0000	9.0000	9.0000	9.0000	9.0000	9.0000	9.0000	9.0000
District School Board	7.9220	8.4390	8.4900	8.7030	8.8330	9.0230	9.1280	9.7860	9.6840	9.8990
Other Millage	3.3462	3.2504	3.1992	3.1504	3.1981	3.0395	3.0717	3.0833	3.0992	3.1207
Total	<u>20.2682</u>	<u>20.6894</u>	<u>20.6892</u>	<u>20.8534</u>	<u>21.0311</u>	<u>21.0625</u>	<u>21.1997</u>	<u>21.8693</u>	<u>21.7832</u>	<u>22.0197</u>
Manatee										
County Government	7.7063	8.6498	8.6634	8.6970	8.7690	8.7690	8.8490	8.8290	8.8500	8.8636
District School Board	7.9330	7.9990	8.2960	8.3470	8.3270	8.6820	8.6070	9.0360	9.1724	9.5154
Other Millage	1.5994	2.1966	1.9120	2.3113	2.8644	2.8303	2.7751	2.7565	2.5554	2.5077
Total	<u>17.2387</u>	<u>18.8454</u>	<u>18.8714</u>	<u>19.3553</u>	<u>19.9604</u>	<u>20.2813</u>	<u>20.2311</u>	<u>20.6215</u>	<u>20.5778</u>	<u>20.8867</u>
Marion										
County Government	4.8700	5.3100	5.6400	6.0400	6.0600	6.1800	6.1500	6.1500	6.2200	9.2750
District School Board	8.0130	8.2720	9.0650	9.4360	9.5000	9.6560	9.8320	10.6240	10.5850	9.9920
Other Millage	5.8580	5.8278	5.5137	5.2782	5.3426	5.6491	5.1343	5.2433	5.3475	1.6483
Total	<u>18.7410</u>	<u>19.4098</u>	<u>20.2187</u>	<u>20.7542</u>	<u>20.9026</u>	<u>21.4851</u>	<u>21.1163</u>	<u>22.0173</u>	<u>22.1525</u>	<u>20.9153</u>
Pasco										
County Government	6.6810	7.9440	8.2820	8.6480	9.0250	9.3410	8.5700	8.1960	9.1000	9.1270
District School Board	7.7980	7.4230	8.8070	8.9390	9.1140	9.1320	9.7090	10.0920	10.0210	10.1570
Other Millage	1.6070	1.6070	1.6070	1.6070	1.6370	1.6400	1.6410	1.6410	1.6410	1.6410
Total	<u>16.0860</u>	<u>16.9740</u>	<u>18.6960</u>	<u>19.1940</u>	<u>19.7760</u>	<u>20.1130</u>	<u>19.9200</u>	<u>19.9290</u>	<u>20.7620</u>	<u>20.9250</u>

(Continued)

Southwest Florida Water Management District
Ad Valorem Property Tax Rates--All Direct And Overlapping Governments (Per \$1000 Assessed Valuation)
For The Last Ten Fiscal Years
(Continued)

County	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
Pinellas										
County Government	6.1410	6.8010	6.8010	6.8010	6.8010	6.7510	6.5010	7.3940	7.1940	7.1660
District School Board	8.3900	8.1220	8.2430	8.4490	8.4870	8.4330	8.6660	9.1100	9.1330	9.1760
Other Millage	5.8220	6.8629	6.8220	6.8220	6.7720	6.7220	6.7230	5.4499	5.6088	5.5451
Total	<u>20.3530</u>	<u>21.7859</u>	<u>21.8660</u>	<u>22.0720</u>	<u>22.0600</u>	<u>21.9060</u>	<u>21.8900</u>	<u>21.9539</u>	<u>21.9358</u>	<u>21.8871</u>
Polk										
County Government	8.7270	7.7270	7.7270	7.7270	7.7270	7.7270	7.9770	7.9770	7.9770	7.9770
District School Board	8.0780	8.2060	8.3170	8.5780	8.7220	8.8460	9.0720	9.3280	9.4310	9.3360
Other Millage	1.5892	0.8125	0.8423	0.8411	0.8411	0.8114	0.8144	0.8187	0.8190	0.7427
Total	<u>18.3942</u>	<u>16.7455</u>	<u>16.8863</u>	<u>17.1461</u>	<u>17.2901</u>	<u>17.3844</u>	<u>17.8634</u>	<u>18.1237</u>	<u>18.2270</u>	<u>18.0557</u>
Sarasota										
County Government	7.8610	8.3660	6.2893	5.5489	5.5653	5.5758	5.5794	5.2042	4.9173	4.9946
District School Board	6.1172	6.2304	8.7930	9.2870	8.4880	8.5440	8.5370	9.2290	8.9470	9.0940
Other Millage	0.6197	0.6407	0.6832	0.5818	0.6114	0.5716	0.7622	0.8654	1.0765	1.2390
Total	<u>14.5979</u>	<u>15.2371</u>	<u>15.7655</u>	<u>15.4177</u>	<u>14.6647</u>	<u>14.6914</u>	<u>14.8786</u>	<u>15.2986</u>	<u>14.9408</u>	<u>15.3276</u>
Sumter										
County Government	7.7675	9.2500	9.2500	9.2500	9.5650	9.5650	10.0000	10.0000	10.0000	10.0000
District School Board	8.0390	8.4020	8.7060	8.8360	8.7670	8.8890	9.3030	9.3600	9.4250	9.3670
Other Millage	4.8450	4.1450	3.9450	3.5040	3.2086	3.2494	2.8158	3.0185	2.9730	3.3186
Total	<u>20.6515</u>	<u>21.7970</u>	<u>21.9010</u>	<u>21.5900</u>	<u>21.5406</u>	<u>21.7034</u>	<u>22.1188</u>	<u>22.3785</u>	<u>22.3980</u>	<u>22.6856</u>

Source: The property tax rate information is obtained directly from the Tax Collectors. The "other millage" reported represents the average rates levied in each county, since the rates within a County can vary, by all other taxing authorities including the District and Basins. For the actual property tax rates levied by the District General Fund and Basin Funds, refer to the Schedule of Property Tax Rates for the District and Watershed Basins.

**Southwest Florida Water Management District
 Schedule Of Property Tax Rates For The District And Watershed Basins (Per \$1000 Assessed Valuation)
 For The Last Ten Fiscal Years**

Fiscal Year	District	Northwest				Pinellas-			Manasota			District Wide	Per Basin
		Alafia River Basin	Hillsborough River Basin	Hillsborough Basin	Coastal Rivers Basin	Ancloste River Basin	Withlacochee River Basin	Peace River Basin	Manasota Basin				
2005	.422	.240	.285	.268	.235	.400	.265	.195	.160	.500	.500		
2004	.422	.240	.285	.268	.235	.400	.265	.195	.160	.500	.500		
2003	.422	.240	.285	.268	.235	.400	.265	.195	.160	.500	.500		
2002	.422	.240	.285	.268	.235	.400	.295	.195	.160	.500	.500		
2001	.422	.240	.285	.268	.235	.400	.298	.195	.160	.500	.500		
2000	.422	.240	.285	.268	.235	.401	.298	.195	.160	.500	.500		
1999	.422	.240	.285	.268	.235	.401	.298	.195	.160	.500	.500		
1998	.422	.240	.285	.268	.235	.401	.298	.195	.160	.500	.500		
1997	.422	.240	.285	.268	.235	.401	.298	.195	.181	.500	.500		
1996	.422	.240	.285	.268	.235	.401	.298	.195	.181	.500	.500		

(1) The maximum legal millage rates for ad valorem taxes are established under Chapter 373.503, Florida Statutes, for the District and Basins.

Source: Southwest Florida Water Management District, Budget in Brief Fiscal Year 2005 Annual Service Budget

**Southwest Florida Water Management District
Demographic Statistics--Population By District, Basin And County
September 30, 2005**

County	BEBR Total	Southwest Florida Water Management District, By Basin										Manasota	
		Within SWFWMD Population	Green Swamp	Alafia River	Hillsborough River	Northwest Hillsborough	Coastal Rivers	Pinellas- Anclote River	Withla- coochee River	Peace River			
Charlotte *	156,985	150,957	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	150,957	N/A
Citrus	129,110	129,110	N/A	N/A	N/A	50,043	N/A	N/A	N/A	79,067	N/A	N/A	N/A
DeSoto	34,105	34,105	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	34,105	N/A
Hardee	27,787	27,787	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	27,787	N/A
Hernando	145,207	145,207	N/A	N/A	N/A	122,293	N/A	N/A	N/A	22,914	N/A	N/A	N/A
Highlands*	92,057	84,011	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	84,011	N/A
Hillsborough	1,108,435	1,108,435	N/A	539,032	321,779	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lake*	251,878	1,335	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Levy*	37,486	20,674	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20,674	N/A	N/A	N/A
Manatee	295,242	295,242	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	295,242
Marion*	293,317	80,310	N/A	N/A	N/A	N/A	N/A	N/A	N/A	80,310	N/A	N/A	N/A
Pasco	389,776	389,776	1,832	103,369	N/A	194,537	64,547	N/A	N/A	25,491	N/A	N/A	N/A
Pinellas	943,640	943,640	N/A	N/A	N/A	N/A	943,640	N/A	N/A	N/A	N/A	N/A	N/A
Polk*	528,389	512,537	46,340	68,902	N/A	N/A	N/A	N/A	N/A	N/A	N/A	343,875	N/A
Sarasota	358,307	358,307	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	358,307
Sumter	66,416	66,416	N/A	N/A	N/A	N/A	N/A	N/A	N/A	66,416	N/A	N/A	N/A
Total	4,858,137	4,347,849	49,507	711,303	321,779	366,873	1,008,187	294,872	640,735	653,549			

* Data is for portion of county located within SWFWMD boundaries

Permanent Population = Year-Round Residents Only

Source: Projections of Florida Population by County, 2004-2030, Bureau of Economic and Business Research (BEER), 2005 Basin & County portional populations are obtained from Estimates of 2000 Census Populations by Political and Geographic Boundaries of the SWFWMD, GIS Associates, Inc. for the SWFWMD, July 2004

**Southwest Florida Water Management District
Demographic Statistics--Population By County
For The Last Ten Fiscal Years**

Fiscal Year	Charlotte * County	Citrus County	Desoto County	Hardee County	Hernando County	Highlands * County	Hillsborough County	Lake * County
2005	150,957 3.47%	129,110 2.97%	34,105 0.78%	27,787 0.64%	145,207 3.34%	84,011 1.93%	1,108,435 25.49%	1,335 0.03%
2004	146,157 3.44%	125,804 2.96%	33,713 0.79%	27,400 0.65%	140,670 3.31%	82,493 1.94%	1,079,587 25.43%	1,276 0.03%
2003	142,818 3.45%	123,008 2.97%	32,798 0.79%	27,437 0.66%	136,484 3.29%	81,256 1.96%	1,055,617 25.49%	1,225 0.03%
2002	143,848 3.54%	120,471 2.96%	32,736 0.80%	26,921 0.66%	132,762 3.26%	80,185 1.97%	1,026,906 25.26%	2,424 0.06%
2001	140,919 3.54%	118,085 2.96%	32,209 0.81%	26,938 0.68%	130,802 3.28%	79,415 1.99%	998,948 25.07%	2,316 0.06%
2000	137,437 3.53%	115,608 2.96%	31,169 0.80%	26,407 0.68%	128,025 3.28%	77,592 1.99%	971,078 24.92%	2,224 0.06%
1999	134,242 3.52%	113,358 2.97%	30,128 0.79%	26,134 0.68%	125,546 3.29%	76,011 1.99%	945,564 24.77%	2,143 0.06%
1998	132,186 3.52%	111,068 2.95%	29,087 0.77%	25,408 0.68%	122,679 3.27%	74,610 1.99%	931,481 24.80%	2,075 0.06%
1997	130,343 3.53%	108,970 2.95%	28,336 0.77%	24,958 0.67%	120,414 3.26%	73,007 1.97%	916,065 24.78%	2,013 0.05%
1996	128,252 3.53%	106,670 2.93%	27,820 0.76%	24,822 0.68%	118,303 3.25%	71,454 1.96%	897,643 24.68%	1,953 0.05%

(Continued)

**Southwest Florida Water Management District
Demographic Statistics--Population By County
For The Last Ten Fiscal Years**
(Continued)

Fiscal Year	Levy * County	Manatee County	Marion * County	Pasco County	Pinellas County	Polk * County	Sarasota County	Sumter County	Total
2005	20,674 0.48%	295,242 6.79%	80,310 1.85%	389,776 8.96%	943,640 21.71%	512,537 11.79%	358,307 8.24%	66,416 1.53%	4,347,849 100.00%
2004	20,220 0.48%	286,884 6.76%	77,202 1.82%	375,318 8.84%	939,864 22.14%	496,571 11.70%	348,761 8.22%	63,001 1.48%	4,244,921 100.00%
2003	19,861 0.48%	277,362 6.70%	74,226 1.79%	361,432 8.73%	933,994 22.55%	473,196 11.43%	339,684 8.20%	61,348 1.48%	4,141,746 100.00%
2002	20,123 0.49%	270,771 6.66%	59,727 1.47%	352,380 8.66%	929,209 22.84%	478,252 11.76%	334,023 8.21%	56,932 1.40%	4,067,668 100.00%
2001	19,740 0.50%	264,002 6.63%	58,515 1.47%	344,765 8.65%	921,482 23.13%	466,503 11.71%	325,957 8.18%	53,345 1.34%	3,983,941 100.00%
2000	19,208 0.49%	257,391 6.60%	56,754 1.46%	334,986 8.60%	915,789 23.50%	455,516 11.69%	318,338 8.17%	49,698 1.27%	3,897,222 100.00%
1999	18,676 0.49%	250,871 6.57%	54,950 1.44%	327,536 8.58%	907,263 23.76%	445,150 11.66%	313,218 8.20%	47,007 1.23%	3,817,799 100.00%
1998	18,013 0.48%	245,505 6.53%	53,600 1.43%	321,074 8.55%	900,320 23.97%	437,764 11.64%	308,052 8.20%	43,680 1.16%	3,756,602 100.00%
1997	17,521 0.47%	240,008 6.49%	51,956 1.41%	314,629 8.51%	894,117 24.19%	430,445 11.65%	303,393 8.21%	40,160 1.09%	3,696,335 100.00%
1996	17,046 0.47%	235,729 6.48%	50,857 1.40%	309,181 8.51%	887,769 24.41%	424,557 11.67%	299,108 8.23%	36,017 0.99%	3,637,181 100.00%

* Data is for portion of the county located within the SWFWMD boundaries

Source: Projections of Florida Population by County, 2004-2030, Bureau of Economic and Business Research (BEBR), 2005 Basin & County portional populations are obtained from Estimates of 2000 Census Populations by Political and Geographical Boundaries of the SWFWMD, GIS Associates, Inc. for the SWFWMD, July 2004

**Southwest Florida Water Management District
Demographic Statistics--Changes In Population
For The Last Ten Fiscal Years**

Fiscal Year	Population	Increase	Percent Increase
2005	4,347,849	102,928	2.42
2004	4,244,921	103,175	2.49
2003	4,141,746	74,078	1.82
2002	4,067,668	83,727	2.10
2001	3,983,941	86,719	2.23
2000	3,897,222	79,423	2.08
1999	3,817,799	61,197	1.63
1998	3,756,602	60,267	1.63
1997	3,696,335	59,154	1.63
1996	3,637,181	-	-

**Southwest Florida Water Management District
Schedule Of Principal Taxpayers By County
September 30, 2005**

County	Ad Valorem Tax Collections	Percentage Of Collections	Taxable Assessed Value	Percentage Of Assessed Valuation
Pinellas County	\$43,617,283	27.05%	\$54,946,057,068	22.43%
Hillsborough County	37,314,510	23.14%	55,903,214,952	22.82%
Sarasota County	21,693,705	13.45%	38,833,229,197	15.85%
Manatee County	11,849,868	7.35%	21,188,932,148	8.65%
Polk County	11,734,719	7.28%	19,808,792,690	8.09%
Pasco County	11,154,070	6.92%	16,171,800,551	6.60%
Charlotte County	7,625,085	4.73%	12,924,151,263	5.28%
Citrus County	4,604,586	2.86%	7,061,830,905	2.89%
Hernando County	4,046,797	2.51%	6,302,986,453	2.57%
Marion County	2,304,740	1.43%	3,412,304,183	1.39%
Highlands County	1,844,887	1.14%	2,933,630,183	1.20%
Sumter County	1,555,459	0.96%	2,315,885,537	0.95%
Hardee County	830,431	0.51%	1,395,590,539	0.57%
DeSoto County	648,433	0.40%	1,049,892,450	0.43%
Levy County	419,712	0.26%	634,607,144	0.26%
Lake County	19,355	0.01%	46,727,001	0.02%
Total	\$161,263,640	100.00%	\$244,929,632,264	100.00%

**Southwest Florida Water Management District
Estimated Total Water Use By County (MGD)
September 30, 2005**

County	Agricultural	Industrial Commercial	Mining Dewatering	Public Supply (Withdrawal)	Domestic Self-Supply	Recreational Aesthetic	Total (Withdrawal) (1)	Public Supply (Use) (2)	Total (Use) (3)
Charlotte *	13.825	0.034	0.754	6.458	3.060	2.405	26.536	15.275	35.353
Citrus	2.242	0.916	0.914	13.245	5.176	3.357	25.850	13.351	25.956
Desoto	80.065	0.067	0.186	14.454	1.965	0.154	96.891	1.612	84.049
Hardee	63.304	0.301	0.795	1.677	1.025	0.290	67.392	1.688	67.403
Hernando	2.878	10.428	11.019	21.551	1.003	3.628	50.507	21.333	50.289
Highlands *	54.277	0.308	0.022	8.788	1.428	2.598	67.421	8.875	67.508
Hillsborough	70.556	19.340	3.334	163.452	5.004	12.488	274.174	122.177	232.899
Lake *	1.414	0.000	0.000	0.000	0.231	0.000	1.645	0.000	1.645
Levy *	9.044	0.044	0.000	0.731	2.202	0.241	12.262	0.831	12.362
Manatee	80.803	0.187	0.699	48.861	0.076	4.489	135.115	38.341	124.595
Marion *	3.833	0.102	0.000	6.623	3.386	2.464	16.408	8.930	18.715
Pasco	15.370	3.880	0.556	86.352	7.329	5.321	118.808	36.739	69.195
Pinellas	0.428	0.060	0.338	30.792	0.396	5.666	37.680	109.706	116.594
Polk *	120.275	36.233	26.854	67.406	5.555	10.785	267.108	70.265	269.967
Sarasota	6.370	0.189	0.978	25.500	0.287	7.245	40.569	31.990	47.059
Sumter	9.744	0.268	4.832	8.699	4.202	2.380	30.125	7.021	28.447
Total	534.428	72.357	51.281	504.589	42.325	63.511	1,268.491	488.134	1,252.036

* Data is for portion of county located within the SWFWMD boundaries.
(1) Total (Withdrawal) - Represents the sum of the preceding six columns and represents total water withdrawal by county for all categories.
(2) Public Supply (Use) - Represents total consumptive use of public supply water within a county. When compared to Public Supply (Withdrawal) column, a large difference would represent an import or an export of publicly supplied water from one county to another.
NOTE: Public Supply (Use) versus (Withdrawal) differences in Citrus, Hardee, Hernando, Highlands, and Marion are the result of data being obtained from two different sources with slightly different numbers (not intercounty transfers).
(3) Total (Use) - The product of "Total (Withdrawal)" minus "Public Supply (Withdrawal)" plus "Public Supply (Use)" and represents consumptive use of publicly supplied water in the county.

**Southwest Florida Water Management District
Schedule Of Insurance In Force
September 30, 2005**

Policy Expiration Date	Types Of Coverage	Company	Policy Number	Annual Premium	Limits Of Coverage	Deductible
10/01/06	Property (\$89,939,510 blanket limit on \$89,939,510 of values including Bldgs / BPP / WCS)	Arch Specialty Landmark American	ESP0001750-01 LHD343115	\$156,236 69,253	\$5,000,000 \$84,939,510 (xs of \$5M) Extra Expense - \$475,000 Replacement Cost	\$5,000 per occurrence Flood - \$50,000 Windstorm - 2% minimum \$100,000
10/01/06	Inland Marine	St. Paul Travelers	QT-660-1032C436-05	76,129		
	Boat			incl.	Physical Damage: \$160,047	\$2,500
	Contractor's Equipment			incl.	\$5,174,374 (Scheduled Equipment) \$200,000 Rented Equipment \$25,000 (Unscheduled Equipment)	\$2,500 \$2,500 \$2,500
	Radio / Tower / Equipment			incl.	\$10,412	\$2,500
	Electronic Data Processing			incl.	\$14,268,683 Extra Expense - \$500,000	\$2,500 all losses
	Valuable Papers & Records			incl.	\$6,800,600	\$2,500
10/01/06	Boiler & Machinery	St. Paul Travelers	BAJ-BM-21-445D4554-05	5,093	\$10,000,000	\$2,500
09/29/06	Flood	Philadelphia Indemnity	00200023402005 00200023412005 87022353602006	1,558 1,558 4,976	\$500,000 Bldg / \$500,000 Contents Tampa Bldg 1 and TDC Only Sarasota Service Office	\$500K Bldg / \$500K Contents \$500K Bldg / \$500K Contents
10/01/06	Liability Coverage	PGIT	PK FL 1 0274501 05-03	79,073		
	General Liability			13,000	\$1M per claim / \$3M Aggregate	First Dollar
	Law Enforcement Liability			116,914	\$1M per claim / \$1M Aggregate	First Dollar
	Auto Liability and Physical Damage on 244 Vehicles			80,040	\$1M per claim	\$1M per Occ / \$1M Aggregate \$25,000 per claim
	Public Officials Errors and Omissions/Employment Practices (Retroactive date 10/1/93)			23,500		
08/26/06	Petroleum Liability	Commerce & Industry	FLP7511732#3	550	\$1M Occurrence / \$2M Aggregate	\$500 Third Party \$300,000 Corr. Action
10/01/06	Crime	Great American		5,251	\$1,000,000	\$10,000
			Subtotal	\$633,131		
10/01/06	Self-Funded Workers' Compensation			\$200,000	\$200,000 Budgeted for W/C Claim Costs Medical / Indemnity / Expenses / Settlements	
10/01/07	Excess Insurance	Midwest Employers	EWC0005056	67,890	Statutory limits	\$500,000 SIR
09/30/06	Service Fee for TPA	Johns Eastern	03CONC00030	23,450	Third Party Administrative Fee	
09/30/06	State Assessment	Dept. of Insurance		44,231	Self-Insurer Assessment	
			Subtotal	\$335,571		
			Total	\$968,702		

Source: District Records - Risk Manager

Southwest Florida Water Management District
Miscellaneous Statistical Data
September 30, 2005

Highest Total Water Use By County (MGD)		Highest Total Population By County	
	Total Usage	Total Population	% Of District
Polk County	269,967	1,108,435	25.49%
Hillsborough County	232,899	943,640	21.71%
Manatee County	124,595	512,537	11.79%
Pinellas County	116,594	389,776	8.96%
DeSoto County	84,049	358,307	8.24%
	<u>828,104</u>	<u>3,312,695</u>	<u>76.19%</u>

Population Projections											
Year	District Green Swamp	Alafia River Basin	Hillsborough River Basin	Northwest Hillsborough Basin	Coastal Rivers Basin	Pinellas-Anclote		Withlacoochee River Basin	Peace River Basin	Manasota Basin	Total SWFWMD
						River Basin	River Basin				
2010	55,235	338,368	801,929	362,433	417,245	1,054,098	1,054,098	342,802	715,098	734,300	4,821,508
2015	59,532	366,666	870,841	393,379	455,585	1,089,753	1,089,753	379,279	770,187	795,600	5,180,822
2020	63,775	394,589	938,888	423,918	493,602	1,125,042	1,125,042	415,754	824,703	856,400	5,536,671
2025	67,847	421,302	1,004,039	453,121	530,244	1,158,766	1,158,766	451,116	877,001	914,700	5,878,136
2030	71,664	446,034	1,064,338	480,090	564,248	1,190,109	1,190,109	484,212	925,893	969,000	6,195,588

OTHER MISCELLANEOUS STATISTICS

Date of Incorporation	July 1, 1961
District Headquarters	Brooksville, Florida - Hernando County
Satellite Offices	Tampa, Bartow, Sarasota
Employees	780
Area	9,822 square miles
Maximum Tax Levy-District	\$0.50 PER \$1,000 of assessed taxable property value
Maximum Tax Levy-Basins	\$0.50 PER \$1,000 of assessed taxable property value
Water Use Permits Issued	565
Environmental Resource Permits Issued	3,707
Well Construction Permits Issued	18,248
Average Rainfall	50-55 inches per year
Elevation Range	0-300 feet above mean sea level



Single Audit



KPMG LLP
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100 North Tampa Street
Tampa, FL 33602

**Independent Auditors' 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***

Members of the Governing Board of the
Southwest Florida Water Management District:

We have audited the financial statements of the governmental activities and each major fund of the Southwest Florida Water Management District (the District), a component unit of the State of Florida, as of and for the year ended September 30, 2005, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 29, 2005. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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*.

We noted certain matters that we reported to management of the District in a separate letter dated December 29, 2005.



This report is intended solely for the information and use of the Governing Board and management of the District, federal and state awarding agencies and pass-through entities, and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

December 29, 2005
Certified Public Accountants



KPMG LLP
Suite 1700
100 North Tampa Street
Tampa, FL 33602

**Independent Auditors' Report on Compliance With Requirements
Applicable to Each Major Program and on Internal Control Over
Compliance in Accordance With OMB Circular A-133
and Chapter 10.550, *Rules of the Auditor General***

Members of the Governing Board of the
Southwest Florida Water Management District:

Compliance

We have audited the compliance of the Southwest Florida Water Management District (the District), a component unit of the State of Florida, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* and the requirements described in the Executive Office of the Governor's *State Projects Compliance Supplement*, that are applicable to each of its major federal programs and state projects for the year ended September 30, 2005. The District's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs and state projects is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, *Rules of the Auditor General*. Those standards, OMB Circular A-133, and Chapter 10.550, *Rules of the Auditor General* 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 or 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. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs and state projects for the year ended September 30, 2005.



Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs and state projects. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program or state project in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General*.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program or state project being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Governing Board and management of the District, and federal and state awarding entities and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

December 29, 2005
Certified Public Accountants

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Schedule of Expenditures of Federal Awards and State Financial Assistance
Year ended September 30, 2005

<u>Federal/State Grantor/Pass through Grantor</u>	CFDA, CSFA Number	Grant ID#	Expenditures
<u>U.S. Department of Agriculture</u>			
Direct Program: Natural Resources Conservation Service			
Hurricane Charley Emergency Watershed Protection	none	65-4209-4-1632	\$ 3,181,832
Total Program			<u>3,181,832</u>
Total U.S. Department of Agriculture			<u>3,181,832</u>
<u>U.S. Environmental Protection Agency</u>			
<i>Passed through Florida Department of Environmental Protection:</i>			
Surface Water Quality Monitoring	66.419	C6004760-03	57,208
Total Program			<u>57,208</u>
Broadway Outfall Storm water Retrofit Project	66.460	WM793	78,324
McIntosh Park Enhanced Storm water Project	66.460	C9-99451502-0	353,054
South Arven Glenn Outfall Storm water Retrofit	66.460	C9-99451503-0	97,000
Total Program			<u>528,378</u>
Total U.S. Environmental Protection Agency			<u>585,586</u>
<u>U.S. Department of Homeland Security - FEMA</u>			
<i>Direct Program:</i>			
Cooperating Technical Partners-Mapping	97.045	EMA-2003-GR-5373	1,344,343
Total Program			<u>1,344,343</u>
<i>Passed through Florida Department of Community Affairs:</i>			
Hurricane Charley and Tropical Storm Bonnie Disaster Assistance	97.036	FEMA-DR-1539-FL	238,734
Hurricane Frances Disaster Assistance	97.036	FEMA-DR-1545-FL	21,455
Hurricane Ivan Disaster Assistance	97.036	FEMA-DR-1551-FL	4,913
Hurricane Jeanne Disaster Assistance	97.036	FEMA-DR-1561-FL	57,252
Hurricane Dennis Disaster Assistance	97.036	FEMA-DR-1595-FL	2,790
Total Program			<u>325,144</u>
Total Department of Homeland Security - FEMA			<u>1,669,487</u>
<u>National Oceanic and Atmospheric Administration</u>			
<i>Passed through Florida Department of Environmental Protection</i>			
Coastal Impact Assistance	11.419	G0002	108,522
Total Program			<u>108,522</u>
<i>Passed through Pinellas County Environmental Foundation</i>			
Terra Ceia Upland Habitat Restoration	11.463	2002-0005-034	159,966
Total Program			<u>159,966</u>
Total National Oceanic and Atmospheric Administration			<u>268,488</u>
<u>U.S. Department of Transportation</u>			
<i>Passed through Florida Department of Transportation</i>			
Federal Planning and Construction	20.205	none	514,740
Efficient Transportation Decision Making	20.205	none	439,119
Total Program			<u>953,859</u>
Total Department of Transportation			<u>953,859</u>
Total Expenditures of Federal Awards			\$ <u>6,659,252</u>

(Continued)

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
Schedule of Expenditures of Federal Awards and State Financial Assistance
Year ended September 30, 2005
(Continued)

<u>Federal/State Grantor/Pass through Grantor</u>	CFDA, CSFA <u>Number</u>	<u>Grant ID #</u>	<u>Expenditures</u>
<u>Department of Agriculture and Consumer Services</u>			
Soil Moisture Testing	42.018	008494	\$ 6,500
Total Department of Agriculture and Consumer Services			<u>6,500</u>
<u>Department of Community Affairs</u>			
Hurricane Charley/Tropical Storm Bonnie Disaster Assistance	52600308	05-PA-C%-13-00-20-516	9,252
Hurricane Frances Disaster Assistance	52600308	05-PA-G%-13-00-20-829	(377)
Hurricane Ivan Disaster Assistance	52600308	05-PA-G=-13-00-16-737	(788)
Hurricane Jeanne Disaster Assistance	52600308	05-PA-E=-13-00-20-579	1,713
Hurricane Dennis Disaster Assistance	52600308	06-DN-G-13-00-16-671	447
Total Department of Community Affairs			<u>10,247</u>
<u>Department of Environmental Protection</u>			
Water Management Districts - Land Acquisition:			
Florida Forever - Land Acquisition	37.022	FFTF	32,938,579
Save Our Rivers - Preacquisition/Ancillary	37.022	WMLTF	1,679,606
Save Our Rivers - Land Acquisition	37.022	WMLTF	4,400,000
Save Our Rivers - Land Management	37.022	WMLTF	4,963,387
Save Our Rivers - Payment in Lieu of Taxes	37.022	WMLTF	333,415
Total Program			<u>44,314,987</u>
Water Management District Permitting Assistance:			
Agreement for Implementation of Permitting Requirements	37.030	GW218	133,600
Total Program			<u>133,600</u>
Statewide Surface Water Restoration and Wastewater Projects:			
S.W.I.M.	37.039	WMLTF	4,298,962
Lake Panasoffkee Restoration Project	37.039	SWW51	235,779
Shell Creek District Resolution 02-15	37.039	SWW31	105,694
Lake Hancock Outfall Treatment District Resolution 03-23	37.039	SWLND	420,193
Port Redwing District Resolution 04-13	37.039	SWW51	31,972
Booker Creek District Resolution District Resolution 04-13	37.039	SWW51	150,000
Rainbow River District Resolution 04-13	37.039	SWW51	10,728
McIntosh Park District Resolution 04-13	37.039	SWW51	707,383
Allen's Creek District Resolution 04-13	37.039	SWW51	24,591
Storm water Filtration District Resolution 04-13	37.039	SWW51	207,405
Kapok Wetland Restoration District Resolution 04-13	37.039	SWW51	700,978
Crystal River Kings Bay District Resolution 04-13	37.039	SWW51	50,000
Rainbow River District Resolution 04-13	37.039	SWW51	10,000
Total Program			<u>6,953,685</u>
Total Department of Environmental Protection			<u>51,402,272</u>
<u>Florida Fish and Wildlife Commission</u>			
Lake Panasoffkee Restoration Project	77.016	03192	1,394,713
Total Florida Fish and Wildlife Commission			<u>1,394,713</u>
<u>Department of Transportation</u>			
DOT Mitigation	37.020	SWWMD	1,134,781
Total Program			<u>1,134,781</u>
Maintenance and Monitoring	none	SWWMD	53,257
Total Department of Transportation			<u>1,188,038</u>
Total State Financial Assistance			<u>54,001,770</u>
Total Expenditures of Federal Awards and State Financial Assistance			<u>\$ 60,661,022</u>

See accompanying notes to schedule of expenditures of federal awards and state financial assistance.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

Year ended September 30, 2005

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance includes the federal and state grant activity of the Southwest Florida Water Management District, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Section 215.97, *Florida Statutes*, 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.

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

Schedule of Findings and Questioned Costs

Year ended September 30, 2005

(1) Summary of Auditors' Results

(a)	The type of report issued on the basic financial statements:	Unqualified
(b)	Reportable conditions in internal control were disclosed by the audit of the basic financial statements:	None reported
	Material weaknesses:	No
(c)	Noncompliance which is material to the basic financial statements:	No
(d)	Reportable conditions in internal control over major federal awards programs and state projects:	None reported
	Material weaknesses:	No
(e)	The type of report issued on compliance for major federal programs and state projects:	Unqualified opinion
(f)	Any audit findings which are required to be reported under Section 510(a) of OMB Circular A-133 or Section 215.97 <i>Florida Statutes</i> :	No
(g)	The major programs/projects tested are as follows:	
	Federal Programs:	
	Hurricane Charley	
	Emergency Watershed Protection	65-4209-4-1632
	Terra Ceia Upland	
	Habitat Restoration	11.463
	State Projects:	
	Water Management Districts – Land Acquisition	37.022
(h)	Dollar threshold used to distinguish between Type A and Type B programs/projects:	
	Federal programs	\$ 300,000
	State projects	1,620,053
(i)	Auditee qualified as a low-risk auditee under Section 530 of OMB Circular A-133:	Yes

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

Schedule of Findings and Questioned Costs

Year ended September 30, 2005

- | | |
|--|------|
| (2) Findings Relating to the Financial Statements Reported in Accordance With <i>Government Auditing Standards</i>: | None |
| (3) Findings and Questioned Costs Relating to Federal Programs: | None |
| (4) Findings and Questioned Costs Relating to State Projects: | None |

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Management Letter



KPMG LLP
Suite 1700
100 North Tampa Street
Tampa, FL 33602

Management Letter

Members of the Governing Board of the
Southwest Florida Water Management District:

We have audited the financial statements of the governmental activities and each major fund of the Southwest Florida Water Management District (the District), a component unit of the State of Florida, as of and for the year ended September 30, 2005, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 29, 2005.

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, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. We have also issued our report dated December 29, 2005, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters, as well as our report on the District's compliance and internal control over compliance applicable to each major federal program and state project, and schedule of findings and questioned costs. Disclosures in those reports, if any, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of governmental audits performed in the State of Florida and require that certain items be addressed in this letter. The *Rules of the Auditor General*, Section 10.554(1)(h)(1) require that, unless otherwise required to be reported in the auditors' report on internal control over financial reporting and compliance and other matters or in the schedule of findings and questioned costs, a management letter shall include a statement as to whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. There were no significant findings or recommendations made in the preceding annual financial audit.

The *Rules of the Auditor General*, Section 10.554(1)(h)(2) require that we determine whether or not the District complied with Section 218.415, *Florida Statutes*, regarding the investment of public funds. At September 30, 2005, the District was in compliance with Section 218.415, *Florida Statutes* as it relates to the investment of public funds.

The *Rules of the Auditor General*, Section 10.554(1)(h)(3) require that we report any recommendations to improve the District's financial management, accounting procedures, and internal controls. There were no recommendations to improve the District's financial management, accounting procedures, and internal controls.

The *Rules of the Auditor General*, Section 10.554(1)(h)(4) state that, if not already reported in the auditors' report on internal control over financial reporting and compliance and other matters or in the schedule of findings and questioned costs, the management letter shall include, unless clearly inconsequential:

- (a) Violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred, and were discovered within the scope of the audit.



- (b) Improper or illegal expenditures discovered within the scope of the audit that may not materially affect the financial statements.
- (c) Deficiencies in internal control that are not reportable conditions, including, but not limited to:
 - (1) Improper or inadequate accounting procedures (i.e., the omission of required disclosures from the annual financial statements).
 - (2) Failures to properly record financial transactions.
 - (3) Other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention of, the auditor.

The results of our audit disclosed no violations of laws, rules, regulations or contractual provisions or abuse, no improper or illegal expenditures, or other deficiencies in internal control which are not otherwise reported.

The *Rules of the Auditor General*, Section 10.554(1)(h)(5) also require that we report on the District's name or official title and legal authority. The disclosure of this information is included in the notes to the financial statements.

As required by the *Rules of Auditor General*, Section 10.554(1)(h)(6)(a), the scope of our audit included a review of the provisions of Section 218.503(1), *Florida Statutes*, regarding financial emergencies. In connection with our audit, we determined that the District is not in a state of financial emergency as a consequence of the conditions described in Section 218.503(1), *Florida Statutes*.

As required by the *Rules of the Auditor General* Section 10.554(1)(h)(6)(b), we determined that the annual financial report for the District for the fiscal year ended September 30, 2005, to be 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, 2005.

As required by the *Rules of the Auditor General* Sections 10.554(1)(h)(6)(c) and 10.556(7), 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.

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This management letter is intended solely for the information and use of the Governing Board and management of the District, and the Auditor General of the State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

December 29, 2005