

Appendix 1-5: Everglades Forever Act Annual Financial Report

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INTRODUCTION

The Everglades Forever Act (EFA) Annual Financial Report fulfills the yearly financial reporting requirements associated with the Everglades Trust Fund for implementation of the Everglades Forever Act. Section 373.45926, Florida Statutes (F.S.), as amended by Section 33 of Chapter 2011-34, requires the South Florida Water Management District (SFWMD or District) to annually provide Everglades Trust Fund revenue and expenditure information, including the amount of revenues deposited by source, unencumbered balance remaining at the end of each fiscal year, and detailed account of expenditures. This report is made available to the state legislature and public as part of the *2013 South Florida Environmental Report (SFER) – Volume I*.

The EFA Annual Financial Report presents Fiscal Year 2012 (FY2012) (October 1, 2011–September 30, 2012) information on revenues, expenditures, and fund balance, along with anticipated Fiscal Year 2013 (FY2013) (October 1, 2012–September 30, 2013) expenditures related to the EFA implementation. This information is summarized in **Tables 1-4** as follows:

- **Table 1:** FY2012 revenues
- **Table 2:** FY2012 expenditures
- **Table 3:** FY2012 unencumbered fund balance remaining in the trust fund
- **Table 4:** Anticipated expenditures for the next fiscal year, FY2013

Only revenues, expenditures, and unencumbered balances associated with the Everglades Trust Fund are included in these tables. Based on the District's fund structure, the Everglades Trust Fund is comprised of two funds: Everglades Restoration Special Revenue Trust Fund and Everglades Restoration Capital Project Trust Fund.

The financial information contained in this annual report is taken from unaudited FY2012 records. Audited FY2012 information is scheduled to be available during the second quarter of FY2013. Any changes to the financial information presented in this report will be reflected in the District's Comprehensive Annual Financial Report and in future Everglades Trust Fund Reports.

BASIS OF PRESENTATION

Accounting principles, policies, and practices of the District conform to generally accepted accounting principles (GAAPs) for state and local governments, and are structured in accordance with the Government Accounting Standards Board requirements. GAAPs require the use of fund accounting. A fund is a separate fiscal and accounting entity having a self-balancing set of accounts. Fund accounting is designed to segregate transactions related to certain functions or activities to ensure resources are applied to finance the activities and objectives for which the resources are received and to show compliance with legal and contractual obligations.

Table 1. Everglades Trust Fund revenues for FY2012¹.

Source	Total
Ad Valorem Property Taxes	\$36,236,338
Agricultural Privilege Taxes	\$11,507,721
Investment Earnings	\$1,535,270
Sale of District Property	\$6,281
Miscellaneous Revenues	\$16,020
Total Revenues	\$49,301,630

¹ This information is provided prior to the completion of the SFWMD's annual audit and is subject to further adjustments.

Table 2. Everglades Trust Fund expenditures for FY2012¹.

Projects	Total Expenditures
Everglades Forever Act (EFA) Projects	
Restoration Strategies - Regional Projects Conceptual Planning and Design	\$2,215,095
Everglades Trust Fund Capital Projects	
EAA STA Compartment B - Design/Construction	\$245,034
EAA STA Compartment C - Design/Construction	\$446,715
Rotenburger Supplemental Electric Pump Station	\$4,210
Long-Term Plan: STA Operations & Maintenance	
Communications and Control Systems	\$2,344,834
Pump Station Modification and Repair	\$4,481
Structure Modification and Repair	\$23,320
Canal/Levee Maintenance and Canal Conveyance	\$1,968
Structure Inspections	\$407,996
Engineering Support	\$6,892
Contamination Assessments and Remediation	\$73,664
Pumping Operations	\$4,401,242
Construction	\$30,296
Structure Maintenance - Preventative	\$1,895,878
Structure Maintenance - Overhaul and Refurbishment	\$153,011
Pump Station Maintenance and Refurbishment	\$2,777,236
Berm and Levee Maintenance	\$659,967
Mowing	\$293,425
Canal Maintenance	\$461,506
Vehicle and Equipment Maintenance	\$32,321
Command and Control, Data Logger and Remote Telemetry Unit Maintenance	\$1,457,447
Flow Monitoring and Assessment	\$318,892
Aquatic and Terrestrial Plant Control	\$3,189,942
Permitting	\$133,508
General Maintenance	\$45,062
Compliance and Enforcement	\$2,320,504
STA Site Management	\$242,547

Table 2. Continued.

Projects	Total Expenditures
Everglades Source Control Program/Long-Term Plan Source Control	
EFA Regulatory Source Control Program	\$2,074,883
Long-Term Plan STA Optimization & Performance	
ECP Operations Monitoring	\$1,859,962
Analysis and Interpretation	\$1,495,396
Everglades Research and Evaluation	
Ecosystem Response to Hydrology	\$307,851
Multi-Disciplinary Research for Ecological Restoration	\$614,674
Scientific Project Support	\$283,528
Sulfur Action Plan	\$201,264
Program Management and Support	
Debt Service ²	\$19,479,396
Property Appraiser/Tax Collector Fees	\$1,152,245
Everglades Program Support	\$3,494,201
Total	\$55,150,393

¹ Expenditures are budgeted in two funds: Everglades Restoration Trust Special Revenue and Everglades Restoration Trust Capital Projects Funds.

² This represents debt service payment in FY2012 on the Certificates of Participation issued in 2006 (FY2007) to fund project construction.

Table 3. Everglades Trust Fund unencumbered fund balance for FY2012¹.

	Total
Fund Balance as of October 1, 2011	\$81,664,371
Add: Revenues	\$49,301,630
Less: Expenditures	<u>(\$55,150,393)</u>
Fund Balance as of September 30, 2012	\$75,815,608
Less: Encumbrances - as of September 30, 2012	(\$2,750,803)
Less: Designated Fund Balance ²	(\$13,589,462)
Unencumbered Balance as of September 30, 2012	\$59,475,343

¹ This information is provided prior to the completion of the SFWMD's annual audit and is subject to further adjustments.

² This represents the usage of fund balance to fund the following year's budget.

Table 4. Everglades Trust Fund anticipated expenditures for FY2013¹.

Projects	Total Anticipated Expenditures
Everglades Forever Act (EFA) Projects	
Restoration Strategies - Regional Projects Conceptual Planning and Design	\$12,540,696
Everglades Trust Fund Capital Projects	
EAA STA Compartment B - Design/Construction	\$177,332
EAA STA Compartment C - Design/Construction	\$483,760
Long-Term Plan: STA Operations & Maintenance	
Communications and Control Systems	\$2,612,901
Pump Station Modification and Repair	\$104,454
Structure Modification and Repair	\$118,424
Canal/Levee Maintenance and Canal Conveyance	\$230,000
Structure Inspections	\$678,919
Survey Support	\$9,791
Contamination Assessments and Remediation	\$116,881
Pumping Operations	\$6,939,261
Structure Maintenance - Preventative	\$1,951,798
Structure Maintenance - Overhaul and Refurbishment	\$119,920
Pump Station Maintenance and Refurbishment	\$2,506,285
Berm and Levee Maintenance	\$518,106
Mowing	\$371,739
Canal Maintenance	\$211,209
Vehicle and Equipment Maintenance	\$144,755
Command and Control, Data Logger and Remote Telemetry Unit Maintenance	\$687,142
Flow Monitoring and Assessment	\$201,962
Aquatic and Terrestrial Plant Control	\$3,042,686
Permitting	\$67,837
General Maintenance	\$25,873
Compliance	\$2,032,060
STA Site Management	\$228,987

Table 4. Continued.

Projects	Total Anticipated Expenditures
Everglades Source Control Program/Long-Term Plan Source Control	
EFA Regulatory Source Control Program	\$1,700,964
Long-Term Plan STA Optimization & Performance	
ECP Operations Monitoring	\$1,549,918
Analysis and Interpretation	\$1,344,777
Everglades Research and Evaluation	
Ecosystem Response to Hydrology	\$27,784
Multi-Disciplinary Research for Ecological Restoration	\$461,838
Scientific Project Support	\$279,669
Sulfur Action Plan	\$201,317
Program Management and Support	
Debt Service ²	\$19,486,659
Property Appraiser/Tax Collector Fees	\$1,302,669
Everglades Program Support	\$1,791,880
Total	\$64,270,253

¹Anticipated expenditures are budgeted in two funds - Everglades Restoration Trust Special Revenue and Everglades Restoration Trust Capital Projects Funds.

²This represents debt service payment for FY2013 on the Certificates of Participation issued in 2006 (FY2007) to fund project construction.