

# Appendix 1-5: Everglades Forever Act Annual Financial Report

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## INTRODUCTION

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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 *2015 South Florida Environmental Report (SFER) – Volume I*.

The EFA Annual Financial Report presents Fiscal Year 2014 (FY2014) (October 1, 2013–September 30, 2014) information on revenues, expenditures, and fund balance, along with anticipated Fiscal Year 2015 (FY2015) (October 1, 2014–September 30, 2015) expenditures related to the EFA implementation. This information is summarized in **Tables 1-4** as follows:

- **Table 1:** FY2014 revenues
- **Table 2:** FY2014 expenditures
- **Table 3:** FY2014 unencumbered fund balance remaining in the trust fund
- **Table 4:** Anticipated expenditures for the next fiscal year, FY2015

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 FY2014 records. Audited FY2014 information is scheduled to be available during the second quarter of FY2015. 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 FY2014<sup>1</sup>.

<b>Source</b>	<b>Total</b>
Ad Valorem Property Taxes	\$35,700,467
Agricultural Privilege Taxes	\$11,439,721
Investment Earnings	\$1,279,102
Alligator Alley Toll Revenues	\$2,200,000
Water Management Lands Trust Fund Revenues	\$502,985
Miscellaneous Revenues	\$22,608
<b>Total Revenues</b>	<b>\$51,144,883</b>

<sup>1</sup> 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 FY2014<sup>1</sup>.

Projects	Total Expenditures
<b>Everglades Forever Act (EFA) Projects</b>	
Restoration Strategies - Regional Projects Conceptual Planning and Design	\$6,459,516
<b>Everglades Trust Fund Capital Projects</b>	
EAA STA Compartment B - Design/Construction	\$40,286
EAA STA Compartment C - Design/Construction	\$19,427
<b>Long-Term Plan: STA Operations &amp; Maintenance</b>	
Communications and Control Systems	\$478,085
Pump Station Modification and Repair	\$64,455
Structure Modification and Repair	\$2,186
O&M Facility Construction Improvements	\$23,735
Canal/Levee Maintenance and Canal Conveyance	\$43,045
Structure Inspections	\$978,665
Engineering Support	\$392,222
Contamination Assessments and Remediation	\$114,850
Pumping Operations	\$4,566,279
Structure Maintenance - Preventative	\$1,549,150
Structure Maintenance - Overhaul and Refurbishment	\$57,214
Pump Station Maintenance and Refurbishment	\$3,398,597
Berm and Levee Maintenance	\$739,855
Mowing	\$252,240
Canal Maintenance	\$335,011
Command and Control, Data Logger and Remote Telemetry Unit Maintenance	\$690,610
Flow Monitoring and Assessment	\$113,320
Aquatic and Terrestrial Plant Control	\$3,014,409
Permitting	\$9,169
General Maintenance	\$96,695
Compliance	\$2,090,989
STA Site Management	\$190,691

**Table 2.** Continued.

<b>Projects</b>	<b>Total Expenditures</b>
<b>Everglades Source Control Program/Long-Term Plan Source Control</b>	
EFA Regulatory Source Control Program	\$1,605,657
<b>Long-Term Plan STA Optimization &amp; Performance</b>	
ECP Operations Monitoring	\$1,681,836
Analysis and Interpretation	\$1,087,158
<b>Everglades Research and Evaluation</b>	
Ecosystem Response to Hydrology	\$45,551
Multi-Disciplinary Research for Ecological Restoration	\$486,363
Scientific Project Support	\$386,120
Sulfur Action Plan	\$43,518
<b>Program Management and Support</b>	
Debt Service <sup>2</sup>	\$19,458,825
Property Appraiser/Tax Collector Fees	\$1,015,782
Everglades Program Support	\$2,042,153
<b>Total</b>	<b>\$53,573,662</b>

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

<sup>2</sup> This represents debt service payment in FY2014 on the Certificates of Participation issued in 2006 (FY2007) to fund project construction.

**Table 3.** Everglades Trust Fund unencumbered fund balance for FY2014<sup>1</sup>.

	<b>Total</b>
<b>Fund Balance as of October 1, 2013</b>	<b>\$90,598,928</b>
Add: Revenues	\$51,144,883
Less: Expenditures	(\$53,573,662)
<b>Fund Balance as of September 30, 2014</b>	<b>\$88,170,149</b>
Less: Encumbrances - as of September 30, 2014	(\$2,690,617)
Less: Designated Fund Balance for FY2015 Budget	(\$15,891,074)
<b>Unencumbered Balance as of September 30, 2014</b>	<b>\$69,588,458</b>

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

**Table 4.** Everglades Trust Fund anticipated expenditures for FY2015<sup>1</sup>.

Projects	Total Anticipated Expenditures
<b>Everglades Forever Act (EFA) Projects</b>	
Restoration Strategies - Regional Projects Conceptual Planning, Design and Construction	\$15,021,576
<b>Long-Term Plan: STA Operations &amp; Maintenance</b>	
Communications and Control Systems	\$449,754
Pump Station Modification and Repair	\$405,445
Structure Inspections	\$839,454
Engineering Support	\$17,992
Contamination Assessments and Remediation	\$159,435
Pumping Operations	\$8,085,800
Structure Maintenance - Preventative	\$1,911,316
Structure Maintenance - Overhaul and Refurbishment	\$247,642
Pump Station Maintenance and Refurbishment	\$2,861,013
Berm and Levee Maintenance	\$586,348
Mowing	\$329,883
Canal Maintenance	\$89,554
Vehicle and Equipment Maintenance	\$82,105
Command and Control, Data Logger and Remote Telemetry Unit Maintenance	\$577,949
Flow Monitoring and Assessment	\$81,114
Aquatic and Terrestrial Plant Control	\$3,087,714
Permitting	\$12,846
General Maintenance	\$55,00
Compliance	\$1,769,264
STA Site Management	\$191,379

**Table 4.** Continued.

<b>Projects</b>	<b>Total Anticipated Expenditures</b>
<b>Everglades Source Control Program/Long-Term Plan Source Control</b>	
EFA Regulatory Source Control Program	\$1,603,081
<b>Long-Term Plan STA Optimization &amp; Performance</b>	
ECP Operations Monitoring	\$1,789,237
Analysis and Interpretation	\$481,159
<b>Everglades Research and Evaluation</b>	
Ecosystem Response to Hydrology	\$28,355
Multi-Disciplinary Research for Ecological Restoration	\$467,980
Scientific Project Support	\$281,147
Sulfur Action Plan	\$34,965
<b>Program Management and Support</b>	
Debt Service <sup>2</sup>	\$19,456,838
Property Appraiser/Tax Collector Fees	\$1,174,007
Everglades Program Support	\$1,670,665
<b>Total</b>	<b>\$63,850,017</b>

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

<sup>2</sup>This represents debt service payment for FY2015 on the Certificates of Participation issued in 2006 (FY2007) to fund project construction.