

**SOUTH BROWARD DRAINAGE DISTRICT
GOVERNING BOARD MEETING MINUTES**

JANUARY 26, 2017

Present:

Scott Hodges, Chairperson
James Ryan, Vice Chairperson
Vicki Minnaugh, Treasurer
Robert E. Goggin, IV, Secretary
Alanna Mersinger, Commissioner
Thomas Good, Commissioner
Mercedes Santana-Woodall, Commissioner

Kevin M. Hart, District Director
Reina Muniz, Recording Secretary
General Public: See Attached List

Absent:

Douglas R. Bell, Legal Counsel

01. CALL TO ORDER/ROLL CALL/PLEDGE OF ALLEGIANCE

Chair Hodges called the SBDD Board Meeting to order at 8:03 a.m.; with Vice Chair Ryan, Commissioner Minnaugh, Commissioner Mersinger, Commissioner Goggin, and Commissioner Santana-Woodall present; followed by the Pledge of Allegiance.

02. PUBLIC COMMENT

None.

03. APPROVAL OF MINUTES

Commissioner Minnaugh moved for approval of the minutes of the December 15, 2016, South Broward Drainage District Board meeting. Motion was seconded by Commissioner Santana-Woodall and it was carried unanimously.

Commissioner Good joined the meeting at approximately 8:06 a.m.

04. DIRECTOR'S REPORT

A. PRESENTATION OF DRAFT SBDD FINANCIAL STATEMENT FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2016 BY BARRY FINK, CPA

District Director Hart stated that a draft report of the SBDD Financial Statement for the Fiscal Year Ending September 30, 2016 has been prepared by the District's accounting firm, Margolies, Fink and Wichrowski, Certified Public Accounts (MFW). Barry Fink, CPA, a partner with MFW, presented an overview of the draft report.

Mr. Fink commented that as in prior years, there is a non-qualified opinion issued on this financial statement, and there was nothing that required them to change their opinion in any way at all. There were no Management comments that he found necessary to add. There

were no recommendations that they felt necessary to include. This past year, there were no major significant changes required by their profession that needed to be noted in the statements. He said that there was not a single change to the opinion. Mr. Fink said that looking at the condition of the District, it was a great year. There were no major deviations from budget to actual, and the District finished the year with an approximate unassigned fund balance of \$917,000.

Commissioner Minnaugh thanked Mr. Fink for listing everything that was done as part of the CIP; and she commented that she did not realize how much activity goes on in the District over the course of the year.

District Director Hart indicated that the Final Report would be presented to the Board at the February Board meeting.

B. RELEASE AND VACATION REQUEST OF SURFACE WATER MANAGEMENT AREA (SWMA) DESIGNATION FOR CALVEIRO RESIDENCE; SUBJECT TO THE DEDICATION OF A NEW SWMA

District Director Hart said that the owner of the property located at 6590 S.W. 185th Way, Southwest Ranches, FL 33332 is requesting that SBDD vacate the Surface Water Management Area (SWMA) that was previously designated and recorded under OR Book 30326, Page 1162, Broward County Records. All properties in the SW Ranches are required to set aside 20% of their property at elevation 5.0' (or an equivalent storage area) as a SWMA.

The property owner, Mercedes Calveiro, Revocable Trust, will dedicate a new SWMA over the property to comply with the 20% SWMA requirement. District Director Hart said that SBDD staff has reviewed the request and has no objections. There are no financial impacts to this Agenda Item, other than SBDD administrative costs; all other costs will be incurred by the property owner.

Commissioner Minnaugh moved for approval for the Release and Vacation of the SWMA Designation for the Calveiro resident located at 6590 S.W. 185th Way, Southwest Ranches, FL; subject to the dedication of a new SWMA in accordance with SBDD Criteria. Motion was seconded by Commissioner Goggin.

Commissioner Goggin commented that he appreciated all the information - the survey, and the blue prints that were distributed; because it makes it self-explanatory, and helps with their decision making. Chair Hodges asked if there were any plans for the right-of-way behind the property in question. District Director Hart replied, not at this time.

The questions was called and it was carried unanimously.

C. CONTRACT AWARD(S):

SBDD TREE REMOVAL & TRIMMING PROJECT AT VARIOUS LOCATIONS IN MIRAMAR, PEMBROKE PINES, HOLLYWOOD, AND SOUTHWEST RANCHES

District Director Hart stated that SBDD advertised for bids for the Tree Removal/Trimming

Project at fifteen (15) locations in Miramar, Pembroke Pines, Hollywood, and Southwest Ranches. The District received a total of four (5) bids. The bid amounts ranged in price from \$33,428.00 to \$68,500.00 for all fifteen locations.

The bid documents allow the District the option of awarding the contract on a split basis.

The lowest bid for each of the 15 sites varies among the bids. SBDD has consulted with each bidder to determine their interest and agreement to contract for the work on a split basis. Due to the reduced scope of the work, neither Milborne LLC nor DBI Services are agreeable to contracting with SBDD on a split basis. Therefore, it is recommended that the bid be awarded to EDJ Service, Inc. (EDJ) for all 15 locations in the amount of \$33,428.00 as the lowest responsive, responsible bidder.

SBDD has reviewed the bids submitted by EDJ, and has determined that the Contractor is qualified to perform the work and the bid meets all requirements. SBDD is familiar with EDJ and has been satisfied with their past work on similar type projects.

The work covered under this project is included as part of the District's 2016-2017 budget; and funding for the project will come from SBDD General Operating account.

Commissioner Minnaugh moved for approval to award SBDD Tree Removal/Trimming Project as recommended by the District Director to EDJ Services Inc., in the total amount of \$33,428.00. Motion was seconded by Commissioner Goggin.

District Director Hart said that on the District's Tree Removal Program, all of the municipalities are working closely and cooperatively with SBDD. He said that the District has contacted them all, and they are aware of where and what is being done; so that they are in the loop. For specific locations, the District will get a permit, and the cities will waive the permit fees. On one of the sites, a coconut palm tree is being removed, and the City of Hollywood requires mitigation for the removal of coconut palm tree; but they are able to mitigate through a city project. District Director Hart indicated that all the cities are working very cooperatively with the District to remove these trees that SBDD considers to be a hazard to drainage if they fall over into the waters.

Commissioner Mersinger asked if all the homeowners have been contacted and have signed-off on this. District Director Hart replied yes.

District Director Hart explained the steps on how the District identifies sites for tree trimming/removal. He said that the response rate is not great, but the District will continue to work to try to improve that.

Commissioner Goggin commented that residents tend to get nervous when they see a public notice and do not realize that these projects are being done to help them. He suggested that the District educate the residents on why these projects are being done. District Director Hart agreed.

The question was called and it was carried unanimously.

D. AGREEMENT WITH DOUGLAS R. BELL FOR LEGAL SERVICES

District Director Hart presented for the Board’s review and approval the updated Agreement with Attorney Douglas R. Bell to provide legal services to SBDD. The Agreement has been revised to incorporate the changes requested by the Board at the December Board meeting.

Funding for SBDD legal services will be through the General Operating Account as part of the District’s 2016-2017 budget. District Director Hart requested approval of the Agreement with Douglas R. Bell to provide legal services to South Broward Drainage District in accordance with the terms and conditions stipulated in the Agreement.

Commissioner Minnaugh moved for approval of the Agreement with Attorney Douglas R. Bell to provide legal services to SBDD. Motion was seconded by Commissioner Goggin and it was carried unanimously.

E. OTHER

- **Update on community meeting at the City of Miramar** - District Director Hart made the Board aware of a follow-up meeting that the Vice Mayor of Miramar, Max Chambers, had scheduled. District Director Hart said that he had attended a similar meeting back in September regarding lake and canal issues; maintenance; the condition of the water bodies; and erosion. He said that the City of Miramar has a program where they are funding improvements behind homes outside of our District for erosion rehabilitation and protection. They scheduled a follow-up meeting where he attended and Vice Chair Ryan as well. He said that he presented an overview of what SBDD’s function is and what services we provide; and how we cover five municipalities, etc. It was a very positive meeting.

District Director Hart said that along those same lines, there is another neighborhood meeting at Turtle Bay, in Commissioner Good’s zone. He said a Neighborhood Watch Meeting is scheduled next Tuesday, January 31st, 2017 at the Community Room at the Miramar Police Headquarters at the Miramar City Hall at 7:00 p.m. He made the Board aware that Commissioner Good is interested in attending this meeting, and if any other Board members are interested in attending the meeting, to please notify him, because if there is more than one Commissioner present, that would preclude any Board member from speaking.

- **SFWMD News Brief** - District Director Hart stated that he received a news brief from SFWMD where they got an appeals court decision in their favor that he thought was important and could impact the District down the road. He said that it relates to SFWMD being exempt from obtaining a National Pollution Discharge Elimination System (NPDES) permit for general water management work that they perform; similar to work that the District does; and the appeals court ruled in their favor that they do not need to get NPDES permits which is consistent with the District’s practice as well.

District Director added that Broward County just renewed their NPDES permit with the state. He explained that when these permits are renewed, the state will identify any impaired waterbodies; and when they determine an impairment, the cities that are within these impaired water areas have to implement certain practices to try to reduce the loads.

He said that under the new permit, there are 10 new impairments. He said that one of the impaired waterbodies is the C-11 West, which is one of the widest and largest basin areas. It covers parts of Pembroke Pines, SWR, Cooper City, and Davie; and a portion of this basin area is within SBDD. He said we will see if the District is called in to perform any coordination on that aspect; and that the responsibility lies with the cities under their NPDES permit. The City of Miramar had no impairments.

- **Water Matters Day** - District Director Hart said that Water Matters Day will be held on Saturday, March 11, 2017 at the Tree Tops Park.
- **CIP Update** - District Director Hart said that the District is moving along on their maintenance building and hope to have a preliminary set of plans by the end-of-this month/beginning of next month, and if all goes well, the District will have that out to bid some time near the end of February, and presented to the Board either in March or April for contract approval.

Updates on CIP projects are as follows:

- **Motors** – The first motor has been completed, and the District is scheduled to drop off the second motor next week, and then reinstall the first motor.
- **Pumps** – They are very close to having the two pumps completed. They are waiting on a final word as to when they will be reinstalled.
- **S-3 Lining of pump tubes** – Completed.
- **55th Street Drainage Improvements** – Work started this week.

Following are projects that need to be completed:

- Modifying the permit for Basin 8 to allow the District to operate all the gates as part of the District's on-going operating schedule and to be able to move water where we believe it is best.
- Design of the sluice gate and by-pass at the S-8 pump station.

Commissioner Good commented that in regard to Miramar, the City of Miramar is performing a number of bank restorations which are being funded through city resources. The concern that he has on some of these meetings is the question that may arise as to why the District does not do that too (fund the improvements). He said that it is very fortunate that the District has instituted a policy on canal erosion. There is a document that will address that; and that in regard to Turtle Bay, they will be trying to address some of the issues that they have in regards to their erosion.

He also commented that regarding NPDES, he knows that the permit has changed substantially because of the WOTUS definition; and that very few cities got away without having to deal with impaired waters, because of the fact that they are not discharging into an impaired waterbody. He asked how this relates to SBDD. He said that the District is not on the NPDES permit, but it is still subject to the federal and state laws in regards to discharging into impaired waters. He wanted to know how does SBDD deal with that.

District Director Hart explained that in the previous permit there was an impairment on Flamingo and Griffin, just outside of our District; and that Cooper City, SWR and DOT were named (FDOT was later pulled out). He reiterated that the responsibility is on the cities, under NPDES permit. He said that the NPDES permit is the mechanism that the state uses to impose TMDLs to reduce the impairment; and the role of Central Broward Water Control District was to provide information on the drainage system; how the water moves, flow patterns, etc.; and they did not have to do the water quality testing. He said he expects that when they start holding those meetings on the new impairments that the District will be invited so that we can provide that same information, or assist them in identifying drainage characteristics and facilities, etc., but he has not heard anything yet.

Commissioner Goggin commented that the key is that they are blaming the cities, and the District is not a city. District Director Hart replied that SBDD is not a co-permittee under the permit, so the District does not have the same responsibility as the cities; but the District will still be involved and a partner in trying to assist. He said there is a possibility that the District could be identified as a cause. He said it is somewhat new ground, because this is the first impairment in SBDD.

Chair Hodges commented that Miramar is very sensitive to NPDES. He said that you won't get a permit unless you prove that you have applied for and obtained an NPDES permit for new construction projects. He said they follow through and are very sensitive about it. That is his experience.

05. ATTORNEY'S REPORT:

None.

06. APPROVAL OF LEGAL FEES

Commissioner Minnaugh moved for approval of the legal bills. Motion was seconded by Commissioner Goggin and it was carried unanimously.

07. BOARD MEMBER'S QUESTIONS/COMMENTS

Commissioner Goggin commented that IMBC (International Marina & Boatyard Conference) is hosting a conference on new/future products and changes in the way they are building docks. They will be discussing the use of proper materials and etiquette to reduce impacts on fish and wildlife. He said that he plans on picking up literature, etc. and passing it on to District Director Hart to see how the District can implement this into SBDD policies. Commissioner Goggin also discussed that there will be discussions on new technology, such as solar powered equipment that can be mounted on decks/docks, which he thought would be of interest to us because the District does not want electric on their decks/docks.

Commissioner Mersinger commented that she sits at the Government Committee for the Chamber and that water is now one of their priority issues, and part of their platform.

Vice Chair Ryan commented that as District Director Hart explained previously, he attended the

meeting at the City of Miramar. He said that District Director Hart gave a very comprehensive description of our District, and while there may have not been many residents there, there were many city officials. He said we should be very proud of the job that District Director Hart did at the meeting.

Chair Hodges said that he received most of the reports/ratings on the annual performance evaluation of District Director Hart, and that overall, there were very good comments. He gave an overview of the comments made by the Board, and noted that District Director Hart received all top marks.

08. MEETING DATE(S)

A. **Regular Board Meeting** will be held on **Thursday, February 23th at 8:00 a.m.**

Adjournment at 8:44 A.M.

Respectfully submitted,

Robert E. Goggin IV, Secretary
South Broward Drainage District

/rim

MEMORANDUM

DATE: February 15, 2017
TO: South Broward Drainage District Commissioners
FROM: Kevin M. Hart, P.E.
District Director
Subject: SBDD Annual Financial Statements – Final Copy

Comments:

The final report of the SBDD Financial Statements for the Fiscal Year Ending September 30, 2016 has been prepared by the District's accounting firm, Margolies, Fink and Wichrowski, Certified Public Accounts (MFW). Barry Fink, CPA, a partner with MFW will be in attendance at the February Board meeting to present the final report and to answer any questions.

A copy of the final report is attached.

KH
Attachment

SOUTH BROWARD DRAINAGE DISTRICT

ANNUAL FINANCIAL STATEMENTS

September 30, 2016

FINAL

2/10/17

TABLE OF CONTENTS

	<u>Pages</u>
INTRODUCTORY SECTION	
Board of Commissioners	1
FINANCIAL SECTION	
Independent Auditor's Report	2
Management's Discussion and Analysis (unaudited)	5
Basic Financial Statements:	
Government-Wide Financial Statements	
Statement of Net Position	10
Statement of Activities	11
Fund Financial Statements	
Governmental Fund	
Balance Sheet	12
Reconciliation of Balance Sheet - Governmental Fund to the Statement of Net Position	13
Statement of Revenues, Expenditures and Changes in Fund Balances	14
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities	15
Notes to Financial Statements	16
Required Supplementary Information other than M D & A (unaudited):	
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual - General Fund	31
OTHER REPORTS SECTION	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	34

TABLE OF CONTENTS (Continued)

Independent Auditor's Management Letter Required by Chapter 10.550, Rules of the State of Florida Office of the Auditor General	36
Response to the Management letter	40
Independent Auditor's Report on Compliance with Local Government Investment Policies Pursuant to Chapter 10.556(10), Rules of the State of Florida Office of the Auditor General	41

INTRODUCTORY SECTION

SOUTH BROWARD DRAINAGE DISTRICT

Board of Commissioners

September 30, 2016

Scott Hodges	Chairperson
James Ryan	Vice Chairperson
Robert E. Goggin, IV	Secretary
Vicki Minnaugh	Treasurer
Tom Good	Commissioner
Mercedes B. Santana-Woodall	Commissioner
Alanna Mersinger	Commissioner

Counsel to the District

Douglas R. Bell
Bell & Bell
Ft. Lauderdale, Florida

District Director

Kevin M. Hart, P.E.

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of Commissioners,
South Broward Drainage District:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of South Broward Drainage District ("the District"), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of

significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the South Broward Drainage District, as of September 30, 2016, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5–9 and 31–33 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the South Broward Drainage District's basic financial statements. The introductory section and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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 do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 9, 2017, on our consideration of the South Broward Drainage 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering South Broward Drainage District's internal control over financial reporting and compliance.

January 9, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

The management of South Broward Drainage District ("District") would like to provide readers of the District's financial statements this narrative overview and analysis of the financial activities for the year ended September 30, 2016. Readers are encouraged to consider the information presented in this discussion and analysis in conjunction with the District's basic financial statements, which are contained herein and commence on page 10.

The South Broward Drainage District exists pursuant to the provisions of Ch. 98-524 laws of Florida as amended, a special act of the Florida legislature. The District was originally created in 1927; and today, the single purpose District manages approximately 46,400 acres (72.5 square miles) in southwest Broward County, Florida and serves a population of approximately 255,000 residents. The District, a special taxing district, has powers primarily in the areas of stormwater management and flood control. Their powers include rights to borrow money and issue bonds or other evidences of indebtedness, assess and impose upon all the lands in the District annual drainage, administrative, operation and maintenance taxes, and the District has the ability to install and foreclose special assessment liens.

FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the end of the fiscal year by \$21,404,566. Pursuant to the GASB Statement No. 54 presentation requirements, \$1,105,590 of this amount may be used to meet the District's ongoing operations and \$5,147,682 has been committed for specific purposes.
- The District's total net position increased by \$54,480, or .26% in 2016.
- The total assets of the District amounted to \$22,200,214 as of September 30, 2016. Of this amount, \$15,151,294 represented the net investment in capital assets. The total liabilities amounted to \$795,648.
- The District's total general revenues (on an accrual basis) were \$3,305,605 for the year ended September 30, 2016.
- The total expenses for all of the District's activities were \$3,251,125 for the year ended September 30, 2016.
- As of September 30, 2016, the District has a total of \$6,253,272 of unrestricted net position, of which \$5,147,682 has been committed for specific purposes; \$188,561 has been appropriated during the preparation of the fiscal year 2017 budget, leaving a remaining balance of \$917,029 as unassigned funds.

DISTRICT HIGHLIGHTS

- Completed the following improvements under the District's 5-Year Capital Improvements Plan (CIP) during the 2015/2016 fiscal year:
 - Upgraded the control panels for the S-4 and S-5 pump stations.
 - Converted one drainage pump from oil cooled to water cooled pump at the S-4/S-5 pump station. This was the last pump to be converted from oil cooled to water cooled.
 - Rebuilt one gear drive at the S-2 pump station.
 - Rebuilt two Caterpillar motors; one at the S-1 pump station and the second at the S-7 pump station.
 - Installed a new metal roof at SBDD headquarters.

- Continued with the planning efforts for the expansion of the garage area in the SBDD maintenance yard.

Completed the following improvements as part of the District's annual maintenance, repairs, replacement and upgrades work during the 2015/2016 fiscal year:

- Re-graded and stabilized the canal slopes adjacent to the S-2 pump station.
- Re-graded and stabilized the canal slopes adjacent to the S-7 pump station.
- Re-graded and stabilized the canal slopes adjacent to the S-3 pump station.
- Installed guardrail along the existing canal on the downstream side of the S-3 pump station.
- Oversaw the completion of the SW 205th Avenue rear yard drainage project.
- Installed five (5) storage bins at SBDD headquarters (back field).
- Performed an assessment and preliminary design for the rehabilitation of the B-1 pump station.
- Participated in a joint project with the Town of SW Ranches on the SW 55th Street drainage improvements – SBDD prepared the design plans and obtained permits.
- Installed GPS on all SBDD vehicles and boats for improved safety & supervision of staff.
- Replaced and upgraded the exhaust system at the S-8 pump station.
- Installed new LED lighting at the S-7 pump station.
- Installed new battery chargers at the S-1 pump station.
- Installed a new trash rack at the S-3 pump station.
- Installed additional outdoor cameras at the S-1 and S-3 pump stations.
- Installed new cameras (indoor and outdoor) at the S-4/S-5 pump station.
- Purchased a new field truck.
- Purchased a new towable spray rig.
- Completed lateral canal excavations in Basin 8 (Rolling Oaks).
- Modified the Riverdale outfall connection (new baffle).
- Purchased carbon fiber drive shafts for the S-1 pump station.
- Purchased three (3) new clutches for the S-1 pump station and one (1) spare clutch for the S-2 pump station.
- Purchased spare sensors and gauges for all pump stations.
- Installed tow bars on all boat motors (safety).
- Purchased a new bumper winch for SBDD Truck #33.
- Purchased new transfer pumps for the maintenance of SBDD pump stations.
- Repaired fencing in the SBDD field area.
- Installed culvert slip liners at two locations in Rolling Oaks (Basin 8).
- Upgraded the Data Flow antenna at SBDD headquarters.
- Purchased a new computer tablet for SBDD's mechanic.
- Completed boat ramp improvements at miscellaneous locations throughout the District.
- Performed miscellaneous tree removal and trimming.
- Performed miscellaneous culvert inspections, culvert cleaning, and swale improvements.

Participated in miscellaneous outreach efforts.

USING THE ANNUAL REPORT

This discussion and analysis are intended to serve as an introduction to South Broward Drainage District's basic financial statements. The District's annual report consists of four sections: 1) Introductory Section, 2) Financial Section, 3) Other Reports Section, and 4) Management Letter Section. The basic financial statements themselves consist 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.

Government-wide financial statements

The government-wide statements report information as a whole using accounting methods similar to those used by private sector business. One very important question asked about the District's finances is "Is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question.

The statement of net position presents information on all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the four reported as net position. Over time, an increase or decrease in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. However, other factors should be considered, such as the physical condition of the District's capital assets (buildings, stormwater pump stations, canals, etc.) to assess the overall well-being of the District.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, revenues and expenses are reported in this statement for particular items that will only result in cash flows in future fiscal periods. The government-wide financial statements can be found on pages 10 and 11.

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 legal compliance with finance-related legal requirements. Presently the District has only one governmental fund.

The District's basic services are reported in a governmental fund, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. The fund is reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a short-term view of the District's operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs.

The District outlines the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and the basic governmental fund statements in a reconciliation schedule supporting the Fund Financial Statements.

During the fiscal year ending September 30, 2016, the District maintained one individual governmental fund, the General Fund. The District may establish other funds to help it control and manage money for particular purposes or to show that it is meeting its legal and fiduciary responsibilities.

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 beginning on page 16 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The District also references the employment contract with the District Director who serves at the pleasure of the Board of Commissioners.

THE DISTRICT AS A WHOLE

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of South Broward Drainage District, assets exceeded liabilities by \$21,404,566 at the close of the most recent year. The largest portion of the District's net position (71%) reflects its net investment in capital assets (land, buildings, canals, machinery and equipment). The District uses capital assets to provide services to citizens; accordingly, these assets are not available for future spending.

An additional portion of the District's net position (24%) represents resources that have been committed as to how they may be used. These resources can be used only for their intended designation. The remaining unrestricted net position (\$1,105,590) may be used to meet ongoing operations.

The District adopted the fiscal year 2015-2016 Budget on September 14, 2015. On August 25, 2016 the Board approved certain line item reclassifications to the original budget. Total general fund expenditures budgeted for the year ended September 30, 2016 were \$3,345,099. Total actual general fund expenditures were \$2,933,560, and the District achieved a favorable budget variance for the year ended September 30, 2016 of \$525,929, as reflected on page 33 of the financial statements.

Contacting the District's financial management

This financial report is designed to provide a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the District Director, Kevin Hart, at 6591 Southwest 160 Avenue, Southwest Ranches, Florida 33331.

COMPARATIVE FINANCIAL INFORMATION

District's Net Position
As of September 30,

	<u>2016</u>	<u>2015</u>
Current and other assets	\$ 7,048,920	\$ 7,028,469
Capital assets	<u>15,151,294</u>	<u>15,079,298</u>
Total assets	<u>\$ 22,200,214</u>	<u>\$ 22,107,767</u>
Current and other liabilities	<u>\$ 795,648</u>	<u>\$ 757,681</u>
Total liabilities	<u>\$ 795,648</u>	<u>\$ 757,681</u>
Net Position:		
Net investment in capital assets	\$ 15,151,294	\$ 15,079,298
Restricted	-	-
Unrestricted	<u>6,253,272</u>	<u>6,270,788</u>
Total net position	<u>\$ 21,404,566</u>	<u>\$ 21,350,086</u>

District's Changes in Net Position
Years Ended September 30,

	<u>2016</u>	<u>2015</u>
General revenues:		
Maintenance taxes	\$ 3,093,391	\$ 3,089,420
Permits and other income	202,109	201,171
Investment earnings	<u>10,105</u>	<u>20,309</u>
Total revenues	<u>3,305,605</u>	<u>3,310,900</u>
Expenses:		
Operation and maintenance	2,866,907	2,926,589
Depreciation	<u>384,218</u>	<u>388,897</u>
Total expenses	<u>3,251,125</u>	<u>3,315,486</u>
Increase (decrease) in net position	54,480	(4,586)
Net position – beginning	<u>21,350,086</u>	<u>21,354,672</u>
Net position – ending	<u>\$ 21,404,566</u>	<u>\$ 21,350,086</u>

**BASIC FINANCIAL STATEMENTS –
GOVERNMENT-WIDE**

SOUTH BROWARD DRAINAGE DISTRICT
Statement of Net Position
September 30, 2016

ASSETS

Cash and investments – unrestricted	\$ 900,895
Cash and investments – temporarily restricted	5,975,937
Receivables, including interest	5,050
Inventory	113,313
Other assets	53,725
Capital assets:	
Land	349,616
Other capital assets, net of depreciation	<u>14,801,678</u>
Total capital assets	<u>15,151,294</u>
Total assets	<u>22,200,214</u>

LIABILITIES

Accounts payable and accrued expenses	155,035
Compensated absences payable	123,739
Refundable deposits	<u>516,874</u>
Total liabilities	<u>795,648</u>

NET POSITION

Net investment in capital assets	15,151,294
Unrestricted	<u>6,253,272</u>
Total net position	<u>\$ 21,404,566</u>

See accompanying notes to the financial statements.

SOUTH BROWARD DRAINAGE DISTRICT
Statement of Activities
For the year ended September 30, 2016

Expenses:	
Personnel services	\$ 1,249,961
Materials and services	1,506,686
Depreciation expense	384,218
Collection discounts	<u>110,260</u>
Total expenses	<u>3,251,125</u>
General revenues:	
Maintenance taxes	3,093,391
Permits and other income	202,109
Investment earnings	<u>10,105</u>
Total general revenues	<u>3,305,605</u>
Changes in net position	54,480
Net position, beginning of year	<u>21,350,086</u>
Net position, end of year	<u>\$ 21,404,566</u>

See accompanying notes to the financial statements.

BASIC FINANCIAL STATEMENTS –

FUND

SOUTH BROWARD DRAINAGE DISTRICT
Balance Sheet – Governmental Fund
September 30, 2016

ASSETS	<u>General Fund</u>
Cash	\$ 5,146,855
Investments	1,729,977
Receivables:	
Delinquent taxes and assessments, including interest	1,955
Other	3,095
Inventory	113,313
Other assets	<u>53,725</u>
Total assets	<u>\$ 7,048,920</u>
LIABILITIES AND FUND EQUITY	
Liabilities:	
Accounts payable and accrued expenses	\$ 155,035
Compensated absences payable	123,739
Refundable deposits and deferred income	<u>516,874</u>
Total liabilities	<u>795,648</u>
Fund balances:	
Committed	5,147,682
Assigned	188,561
Unassigned	<u>917,029</u>
Total fund equity	<u>6,253,272</u>
Total liabilities and fund equity	<u>\$ 7,048,920</u>

See accompanying notes to the financial statements.

SOUTH BROWARD DRAINAGE DISTRICT
Reconciliation of Balance Sheet - Governmental Fund
to the Statement of Net Position
September 30, 2016

Total governmental fund balances \$ 6,253,272

Amounts reported in the statement of net position are different because:

Capital assets used in governmental activities are not
financial resources and therefore are not reported in funds.

Capital assets	\$ 23,248,210	
Less accumulated depreciation	<u>(8,096,916)</u>	<u>15,151,294</u>

Total net position \$ 21,404,566

See accompanying notes to the financial statements.

SOUTH BROWARD DRAINAGE DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Fund
For the year ended September 30, 2016

	<u>General Fund</u>
Revenues:	
Maintenance taxes	\$ 3,093,391
Permits and other income	202,109
Interest	<u>10,105</u>
Total revenues	<u>3,305,605</u>
Expenditures:	
Capital outlay	456,214
Operating	2,530,644
Administrative	226,003
Discounts	<u>110,260</u>
Total expenditures	<u>3,323,121</u>
Excess (deficiency) of revenues over expenditures	(17,516)
Fund balance at beginning of year	<u>6,270,788</u>
Fund balance at end of year	<u>\$ 6,253,272</u>

See accompanying notes to the financial statements.

SOUTH BROWARD DRAINAGE DISTRICT
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balance -
Governmental Fund to the Statement of Activities
For the year ended September 30, 2016

Net change in fund balances – total governmental fund \$ (17,516)

Amounts reported in the statement of activities are different because:

Governmental funds report capital outlays as expenditures.
 However, in the statement of activities, the cost of capital assets
 is allocated over their estimated useful lives and reported as
 depreciation expense.

Expenditures for capital assets	\$ 456,214	
Less current year depreciation	<u>(384,218)</u>	<u>71,996</u>

Changes in net position \$ 54,480

See accompanying notes to the financial statements.

NOTES TO FINANCIAL STATEMENTS

SOUTH BROWARD DRAINAGE DISTRICT

Notes to Financial Statements

(1) DESCRIPTION OF THE SOUTH BROWARD DRAINAGE DISTRICT

The South Broward Drainage District ("District") exists pursuant to the provisions of Chapter 98-524 laws of Florida as amended, a Special Act of the Florida Legislature. The District was originally formed in 1927 and includes approximately 46,400 acres in southwest Broward County, Florida. The governing body of the District is the Board of Commissioners ("Board"), comprised of seven elected members.

The District is a special taxing district with powers primarily in the areas of stormwater management and flood control. Such powers include rights to borrow money and issue bonds or other evidences of indebtedness, assess and impose upon all the lands in the District annual drainage, administrative, operation and maintenance taxes, and impose and foreclose special assessment liens.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Reporting Entity

The District follows the standards promulgated by GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, to define the reporting entity. The District's financial statements include operations for which the District exercises oversight responsibility. Oversight responsibility is demonstrated by financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The District has not identified any component units and is not a participant in any joint venture; accordingly, operations of no other entities have been included in the financial statements.

The District implemented the requirements of GASB 54 *Fund Balance Reporting and Governmental Fund Type Definitions* during the year ending September 30, 2011.

The District implemented the requirements of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*, during the year ended September 30, 2013. This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources.

(Continued)

SOUTH BROWARD DRAINAGE DISTRICT

Notes to Financial Statements (Continued)

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The District did not have any deferred outflows or deferred inflows of resources as of September 30, 2016 that were required to be disclosed in the Statement of Net Position.

(b) Government-wide and Fund Financial Statements

The basic financial statements include both government-wide and fund financial statements. The government-wide statements focus on the District as a whole, while the fund financial statements focus on major individual funds.

The government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements report information on all activities of the District. Interfund activity has been eliminated from these statements. The Statement of Activities demonstrates the extent to which the expenses of the District are offset by the revenues collected by the District. Revenues collected include the investment income earned during the year. The District's policy is to apply restricted resources before unrestricted resources when an expense is incurred for the purposes for which both restricted and unrestricted assets are available.

Separate financial statements are provided by governmental funds. Major governmental funds are reported as separate columns in the fund financial statements. The governmental funds' statements reflect amounts due from/to other funds. These amounts represent transfers that were made during the year between funds that will be repaid in the future period.

(c) Measurement Focus and Basis of Accounting

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 the related cash flows. Maintenance 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.

(Continued)

SOUTH BROWARD DRAINAGE DISTRICT

Notes to Financial Statements (Continued)

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental fund financial statements are reported using the current financial resources measurement 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. For this purpose, the District considers maintenance taxes to be available if they are collected within sixty days of the end of the current fiscal period. A one-year availability period is used for all other revenues.

Revenues susceptible to accrual are maintenance taxes and interest on investments. Maintenance taxes are recorded as revenues in the fiscal year they are levied, provided they are collected in the current period or within sixty days thereafter. Interest on invested funds is recognized when earned.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences, claims and judgments are recorded only when payment is earned.

(d) Major Funds

Governmental Fund Types

Government funds are used to account for the District's expendable financial resources and related liabilities. The District currently has the following governmental fund type:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

(e) Budgetary Procedures and Accounting

An annual budget is adopted for the General Fund on a basis consistent with GAAP, except the budgets include encumbrances as the equivalent of expenditures, and do not include revenues and expenditures related to certain special projects. As of September 30, 2016, there were \$21,339 of outstanding encumbrances; accordingly, for the year ended September 30, 2016, the "actual budgetary basis" is presented on a basis which is not consistent with GAAP.

(Continued)

SOUTH BROWARD DRAINAGE DISTRICT

Notes to Financial Statements (Continued)

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Prior to the end of the fiscal year, the District Director is required to submit to the Board of Commissioners the proposed budget for the fiscal year commencing October 1. The District holds public hearings, as required, on the proposed budget. Prior to the end of each fiscal year, the budget is formally adopted for the ensuing year.

The legal level of control, the level at which expenditures may not exceed the budget, is at the total expenditure level. Appropriations lapse at year end. Should additional expenditures be necessary during the year, the District has the authority to modify the budget by a vote of its Board.

In connection with the forthcoming fiscal year 2017 budget, the District appropriated a portion of the unassigned fund balance in the amount of \$188,561 for General Fund operations.

(f) Encumbrances

For governments that use encumbrance accounting, significant encumbrances should be disclosed in the notes to the financial statements by major funds and nonmajor funds in the aggregate in conjunction with required disclosures about other significant commitments. Encumbered amounts for specific purposes for which resources already have been restricted, committed or assigned should not result in separate display of the encumbered amounts within those classifications. Encumbered amounts for specific purposes for which amounts have not been previously restricted, committed or assigned should not be classified as unassigned but, rather, should be included within committed or assigned fund balance. The District includes encumbrances in the committed fund balance.

(g) Inventory

Inventory consists of chemicals and fuel and is valued at cost (first-in, first-out). The cost of inventory is accounted for under the consumption method. Under the consumption method of inventory accounting, inventories are recorded as expenditures when used and; therefore, reported inventories are not equally offset by a non-spendable fund balance account.

(Continued)

SOUTH BROWARD DRAINAGE DISTRICT

Notes to Financial Statements (Continued)

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Compensated Absences

The full-time employees of the District can carryover to the following fiscal year up to one year of their sick leave and vacation benefits. Vacation time is earned based upon length of service, up to a maximum amount of four weeks per year, once the employee has been with the District for fourteen years, with the exception of employees that are covered by employment agreements. At September 30, 2016, the liability for accrued compensated absences, to be paid within one year, was \$123,739, an increase of \$1,997.

(i) Cash and investments

Cash includes cash-on-hand and demand deposits. Interest earned from investments is recorded in each of the respective funds based on the actual amount earned.

In accordance with provisions of GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, the District reports investments at their fair market value, with unrealized gains and losses credited to or charged against investment income.

Non-participating investments, such as non-negotiable Certificates of Deposit with redemption values that do not consider market rates, are reported as amortized costs. The District had investments in the Local Government Surplus Funds Trust Fund, which under the guidelines of GASB Statement No. 31, Pool A is a "2a-7 like" pool. Accordingly, investments in Pool A are reported at amortized cost. During the 2015 fiscal year these investments were discontinued.

During the year, the District did not directly invest any resources in derivatives. Investments made through state-administered trust funds may include derivatives. These investments are made on a pooled basis and the individual risk to the District is unknown.

(j) Capital Assets and Depreciation

Capital assets, which include land, buildings, equipment, vehicles and infrastructure assets (water control structures, canals and lakes), are reported in the government-wide financial statements. Capital assets are recorded at historical cost or estimated historical cost. Contributed assets are recorded at fair market value as of the date received.

(Continued)

SOUTH BROWARD DRAINAGE DISTRICT

Notes to Financial Statements (Continued)

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Maintenance, repairs and minor renovations are not capitalized. Expenditures that materially increase values or extend useful lives are capitalized. There are no idle or impaired capital assets as of September 30, 2016.

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

<u>Asset</u>	<u>Years</u>
Buildings	40
Equipment	5
Vehicles	5
Water Control Structures (including stormwater pump stations)	15-50

Canals and lakes are considered to be land improvements; therefore, are not depreciated. Depreciation expense is reflected in the financial statements in accordance with GASB Statement No. 34 requirements for capital assets greater than \$5,000. Per Florida State Statute as well as internal control purposes, assets with a historical cost greater than \$750 are tagged and recorded in the fixed asset system.

(k) Fund Balance

The Governmental Accounting Standards Board (GASB) released GASB Statement No. 54 - "Fund Balance Reporting and Governmental Fund Type Definitions" ("GASB 54") on March 11, 2009, which is effective for fiscal years beginning after June 15, 2010. This Statement is intended to improve the usefulness of the amount reported in fund balance by providing more structured classification. This Statement applies to fund balance reported in the General Fund, Special Revenue Fund, Debt Service Fund, Capital Projects Fund and Permanent Fund. This Statement does not apply to Enterprise Funds, Internal Service Funds and extremely restricted reserves.

Previously, fund balance was classified as "reserved" or "unreserved." Unreserved fund balance was further allocated into designated and undesignated. GASB 54 now changes how fund balance will be reported. The hierarchy of the GASB 54 classifications is as follows:

- **Non-spendable Fund balance** includes amounts not in spendable form, such as inventory, or amounts required to be maintained intact legally or contractually. The District uses the consumption method of reporting inventory; therefore, it is not reported as a non-spendable fund balance.

(Continued)

SOUTH BROWARD DRAINAGE DISTRICT

Notes to Financial Statements (Continued)

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Restricted Fund Balance** includes amounts constrained for a specific purpose by external parties. The District's Capital Project fund for the S-9/10 basin improvements qualified as a restricted fund and was closed during the 2015 fiscal year.
- **Committed Fund Balance** includes amounts constrained for a specific purpose by a government using its highest level of decision making authority. The District's Capital Improvements, Emergency, and Separation funds, along with the outstanding encumbrances, are included in the committed fund balance (\$5,147,682). The Emergency Fund was established to provide for those situations when the District might have unbudgeted expenditures as a result of a severe emergency, such as a major hurricane.
- **Assigned Fund Balance** includes general fund amounts constrained for a specific purpose by the District's board (\$188,561). This amount represents the appropriation of fund balance in the 2016-2017 fiscal year budget.
- **Unassigned Fund Balance** is the residual classification for the general fund.

The District's Board approves all transactions that occur with respect to the restricted and committed fund balances. These were formally adopted by the Board on May 26, 2011, when the Board formally adopted the reporting requirements outlined by GASB 54.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

There was no restatement required to the opening fund balances as a result of the GASB 54 implementation. The recently approved *Financial Policies and Guidelines* of the District establishes minimum amounts for certain fund balances.

(1) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

(Continued)

SOUTH BROWARD DRAINAGE DISTRICT

Notes to Financial Statements (Continued)

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Impact of Recently Issued Accounting Pronouncements

Recently Issued Accounting Pronouncements,

In June 2012, GASB issued Statement No. 68 *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. The scope of this Statement addresses accounting and financial reporting for pensions that are provided to the employees of state and local governmental employers through pension plans that are administered through trusts that meet certain characteristics. This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expenses/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. The provisions of this Statement are effective for financial statement periods beginning after June 15, 2014. The District implemented this statement in its fiscal year beginning October 1, 2014, and there are no effects on the financial statements.

In January 2013, GASB issued Statement No. 69 *Government Combinations and Disposals of Government Operations*. This Statement requires disclosures to be made about government combinations and disposals of government operations to enable financial statement users to evaluate the nature and financial effects of those transactions. The provisions of this Statement are effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013, and should be applied on a prospective basis. The District implemented this statement in its fiscal year beginning October 1, 2014, and there are no effects on the financial statements.

In April 2013, GASB issued Statement No. 70 *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. The objective of this Statement is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. The provisions of this Statement are effective for reporting periods beginning after June 15, 2013. Earlier application is encouraged. Except for disclosures related to cumulative amounts paid or received in relation to a nonexchange financial guarantee, the provisions of this Statement are required to be applied retroactively.

Disclosures related to cumulative amounts paid or received in relation to a nonexchange financial guarantee may be applied prospectively. The District does not have any transactions that are required to be reported under this GASB.

(Continued)

SOUTH BROWARD DRAINAGE DISTRICT

Notes to Financial Statements (Continued)

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In November 2013, GASB issued Statement No. 71 *Pension Transition for Contributions Made Subsequent to the Measurement Date, an Amendment of GASB Statement No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation. This statement does not have any effect on the District's financial statements.

In June 2015, GASB issued Statement No. 76 *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify, in the context of the current governmental financial reporting environment, the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a resource of authoritative GAAP. The District implemented this Statement during the fiscal year ended September 30, 2016. The implementation had no effect on the District financial statements.

The District has not yet determined the impact of GASB pronouncements No. 74 through No. 82 which have been issued but are not yet effective and have not been implemented.

(Continued)

SOUTH BROWARD DRAINAGE DISTRICT

Notes to Financial Statements (Continued)

(3) CASH AND INVESTMENTS

Statement of Policy

The purpose of the District's investment policy is to set forth the investment objectives and parameters for the management of public funds of the District. The policy is designed to ensure the prudent management of public funds, the availability of operating and capital funds when needed, and an investment return competitive with comparable funds and financial market indices.

The District's policy is written in accordance with Section 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 most recent revisions to the investment policy were approved by the Board of Commissioners in March 2009.

The District's investment policy authorizes investments in the following:

1. The Florida Local Government Surplus Funds Trust Fund.
2. United States government securities unconditionally guaranteed by the full faith and credit of the United States government.
3. United States government agencies backed by the full faith and credit of the United States government.
4. United States government sponsored agencies.
5. Interest bearing time deposit or savings accounts of Florida Banks and Savings and Loan Associations approved under Chapter 280, Florida Statutes as qualified public depositories.
6. Commercial paper rated "Prime 1" by Moody's, "A1" by Standard and Poor's or "F-1" by Fitch.
7. Corporate notes rated at a minimum "Aa" by Moody's, "AA" by Standard and Poor's or "AA" by Fitch.
8. Repurchase agreements that are fully collateralized are permissible investments provided that the following conditions are met:
 - a. The District has executed a Master Repurchase Agreement similar to the PSA's "Master Repurchase Agreement" with either a primary dealer as defined by the Federal Reserve or a bank or savings and loan domiciled in this State and certified as a qualified depository as defined in Florida Statutes Section 280.02.
 - b. The agreement has a defined termination date and is secured by obligations described in this investment policy.
 - c. Requires that the securities being purchased by the District to be pledged to the District, held in the District's name and deposited at the time the investment is made with the District or with a third party selected and approved by the District.
9. Other security or other interests in any open-end or closed-end management-type investment company or investment trust registered under the Investment Company Act of 1940 provided the portfolio meets the District's policy.

(Continued)

SOUTH BROWARD DRAINAGE DISTRICT

Notes to Financial Statements (Continued)

(3) CASH AND INVESTMENTS (Continued)

As of September 30, 2016, the District had placed approximately 25.16% in Certificate of Deposits and 74.84% in interest bearing Money Market Accounts.

Interest Rate and Credit Risk

The District's investment portfolio shall be actively managed in an effort to attain the highest available market rate of return while still operating within this Investment Policy. Securities may be traded for other similar securities to improve interest income, maturity or credit risk. A loss may be incurred for accounting purposes provided any of the following occurs with respect to the replacement security: (1) The interest income has been increased; (2) The time to maturity has been reduced; or (3) The credit quality has been improved.

Permitted investments of bond proceeds are usually set forth in the bond documents. Investment strategies or vehicles commonly utilized for the investment of bond proceeds may differ from those of other District funds.

All of the District's investments in agency securities for fiscal year 2016 were rated at least AA+ by Standard and Poor's and Fitch ratings, and at least A1 by Moody's Investor Services.

Custodial Credit Risk - Deposits

All of the District's cash deposits are held in accounts at depository institutions which are recognized as State of Florida Qualified Public Depositories in accordance with state statutes and the District's investment policy.

The most significant cash deposit of the District at September 30, 2016 is the balance of approximately \$3,246,700 in the general fund emergency account.

Custodial Credit Risk - Investments

The District's investment policy requires that all securities be held with a third-party custodian in a separate account which is designated as an asset of the District. The custodian acts as the safekeeper of the District's investment securities. No withdrawal of securities, in whole or in part, is made from safekeeping without written authorization of designated District staff.

Concentration of Credit Risk

The District's policy authorizes investment allocation limits on security types, issuers, and maturity limitations. However, the District Director has the option to modify investment percentages from time-to-time based on market conditions, risk and diversification investment strategies after review and discussion with the District Treasurer and members of the investment committee.

(Continued)

SOUTH BROWARD DRAINAGE DISTRICT

Notes to Financial Statements (Continued)

(3) CASH AND INVESTMENTS (Continued)

Percentage Allocation by Issuer as of September 30, 2016

<u>Issuer</u>	<u>Percentage of Total</u>
SunTrust Bank	74.84%
Regent Bank CD	3.56%
Bank United CD	3.60%
TD Bank CD	3.60%
Stonegate Bank CD	3.60%
Centennial Bank CD	3.60%
Florida Community Bank CD	3.60%
Landmark Bank CD	3.60%

Cash and investments as of September 30, 2016 are comprised of the following:

Cash deposits:	
Money market accounts	\$ 4,245,960
Demand deposits	900,095
Petty cash	<u>800</u>
Total cash deposits	<u>\$ 5,146,855</u>
Investments:	
Certificates of deposit	<u>1,729,977</u>
Total investments	<u>\$ 1,729,977</u>
Total cash and investments	<u>\$ 6,876,832</u>

(4) MAINTENANCE TAXES AND SPECIAL ASSESSMENTS

Maintenance taxes and special assessments attach as an enforceable lien on the owners' properties as of January 1. The taxes are levied on November 1 and are payable, without penalty, from November 1 to the following March 31. Broward County bills and collects these taxes and assessments and remits these proceeds to the District.

(Continued)

SOUTH BROWARD DRAINAGE DISTRICT

Notes to Financial Statements (Continued)

(5) OTHER ASSETS

Other assets as of September 30, 2016 consisted of the following:

Prepaid insurance	\$ <u>53,725</u>
	\$ <u><u>53,725</u></u>

(6) CAPITAL ASSETS

The following summarizes changes in the capital assets:

	Balance <u>9/30/15</u>	Additions	Deletions	Balance <u>9/30/16</u>
Capital Assets Not Being Depreciated:				
Land	\$ 349,616	\$ -	\$ -	\$ 349,616
Canal Improvements and Lakes	<u>10,056,835</u>	<u>32,211</u>	<u>-</u>	<u>10,089,046</u>
Total Capital Assets Not Being Depreciated	<u>10,406,451</u>	<u>32,211</u>	<u>-</u>	<u>10,438,662</u>
Capital Assets Being Depreciated:				
Water Control Structures/Culverts	10,480,947	287,373	-	10,768,320
Buildings - District Headquarters	802,551	65,095	-	867,646
Vehicles	694,997	57,284	34,680	717,601
Equipment	<u>441,730</u>	<u>14,251</u>	<u>-</u>	<u>455,981</u>
Total Capital Assets Being Depreciated	<u>12,420,225</u>	<u>424,003</u>	<u>34,680</u>	<u>12,809,548</u>
Less Accumulated Depreciation				
Water Control Structures	6,126,184	297,499	-	6,423,683
Buildings	523,745	20,877	-	544,622
Vehicles	693,678	58,583	34,680	717,581
Equipment	<u>403,771</u>	<u>7,259</u>	<u>-</u>	<u>411,030</u>
Total Accumulated Depreciation	<u>7,747,378</u>	<u>384,218</u>	<u>34,680</u>	<u>8,096,916</u>
Capital Assets, Net	<u>\$ 15,079,298</u>	<u>\$ 71,996</u>	<u>\$ -</u>	<u>\$ 15,151,294</u>

(7) RETIREMENT PLAN

Plan Description

The District participates in the Florida Retirement System ("FRS"), a cost-sharing multiple-employer Public Employee Retirement System (PERS), which covers all District employees. The FRS offers a defined benefit plan and an investment plan, and each employee has an option to elect the plan in which they wish to participate. The FRS is totally administered by the State of Florida, Department

(Continued)

SOUTH BROWARD DRAINAGE DISTRICT

Notes to Financial Statements (Continued)

(7) RETIREMENT PLAN (Continued)

of Management Services - Division of Retirement and they provide an annual report which is available to the public every year. Each year FRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Division of Retirement, PO Box 9000, Tallahassee, Florida 32315-9000.

Funding Policy

Effective July 1, 2011, both employer and employees are required to make contributions towards the FRS. The District's current actuarially determined required contribution rate, as established by State statute, is 7.52% for covered regular payroll, and 21.77% for senior management payroll (District Director). All employees of the District contribute 3% of their salary to the program. The combined pension contributions approximated \$135,743 (\$102,929 from the District and \$32,814 from employees) for the year ended September 30, 2016, which amounts to 12.1% of current-year covered payrolls. The District's total and current-year covered payroll was approximately \$1,126,530.

(8) PERMITS AND OTHER INCOME

Other income for the year ended September 30, 2016 consisted of the following:

Miscellaneous	\$ 46,371
Annual telecommunication fees	3,500
Permit fees	94,387
Recertification program	<u>57,851</u>
	<u>\$ 202,109</u>

(9) COMMITMENTS

The District entered into a contract with the new District Director effective May 17, 2010. The Board shall employ the director as the Chief Administrator/Director of the District for a term of four (4) years commencing June 1, 2010 and terminating on May 31, 2014. The Contract automatically renewed for a term of four (4) years in accordance with the provisions contained therein. The contract provides for an annual base salary with annual increases linked to the cost of living index, however not less than 3%. The contract also provides for benefits, including but not limited to life insurance, vacation time and sick leave.

(Continued)

SOUTH BROWARD DRAINAGE DISTRICT

Notes to Financial Statements (Continued)

(9) COMMITMENT (Continued)

The District also entered into contracts with the Assistant District Director and the Project Manager effective April 22, 2010. These contracts are for a term of four years commencing on the effective date of April 22, 2010 and terminating on September 30, 2014. These contracts automatically renewed for a term of four (4) years in accordance with the provisions contained therein. The contracts provide for an annual base salary with annual increases linked to the cost of living index, however not less than 3%. The contracts also provides for benefits, including but not limited to life insurance, vacation time and sick leave.

(10) RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. Settlements have not exceeded insurance coverage for any of the past three fiscal years.

(11) SUBSEQUENT EVENTS

Subsequent events have been evaluated through January 9, 2017, which is the date the financial statements were available to be issued to the District.

**REQUIRED SUPPLEMENTARY
INFORMATION OTHER THAN M D & A
(unaudited)**

SOUTH BROWARD DRAINAGE DISTRICT
Statement of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual – General Fund
(Budgetary Basis)
For the year ended September 30, 2016

	<u>Final Budget**</u>	<u>Actual - Budgetary Basis</u>	<u>Variance – Favorable (Unfavorable)</u>
Revenues:			
Maintenance taxes	\$ 3,093,365	\$ 3,093,391	\$ 26
Permit fees and other income	85,850	202,109	116,259
Interest	<u>12,000</u>	<u>10,105</u>	<u>(1,895)</u>
	<u>3,191,215</u>	<u>3,305,605</u>	<u>114,390</u>
Expenditures:			
Administrative salaries	334,502	336,056	(1,554)
Board of Commissioners' salaries	37,800	37,800	-
Field operations' salaries	501,105	503,474	(2,369)
Inspectors' salaries	247,990	238,904	9,086
Payroll taxes	90,833	85,631	5,202
Pension costs	105,891	102,929	2,962
Other salaries and costs	65,000	48,096	16,904
Accounting fees	25,000	24,750	250
Engineering/consulting/special projects	59,700	10,815	48,885
Legal fees	60,000	54,621	5,379
Legal fees – special projects	25,000	-	25,000
Other professional fees	1,000	-	1,000
Commercial property package	36,000	32,888	3,112
General liability	38,000	36,515	1,485
Group health and life insurance	395,000	359,794	35,206
Workers compensation	22,000	21,614	386
Advertising	6,500	4,436	2,064
Computer supplies and upgrades	10,000	7,928	2,072
Dues and subscriptions	5,600	5,346	254
Electric costs	13,000	11,910	1,090
Gas (LP) auxiliary power	5,000	188	4,812
Janitorial services	2,000	1,721	279
Licenses and fees	900	1,024	(124)

(Continued)

See accompanying notes to the financial statements.

SOUTH BROWARD DRAINAGE DISTRICT
Statement of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
(Budgetary Basis) - Continued
For the year ended September 30, 2016

	<u>Final Budget**</u>	<u>Actual - Budgetary Basis</u>	<u>Variance - Favorable (Unfavorable)</u>
Maintenance contracts	\$ 9,000	\$ 6,549	\$ 2,451
Miscellaneous/uniforms	4,200	3,162	1,038
Office supplies and postage	4,500	3,284	1,216
Payroll service	3,600	3,462	138
Printing and stationary	1,800	1,461	339
Public records, storage and filing	40,000	23,558	16,442
Telephone and miscellaneous communications	15,000	13,657	1,343
Water and sewer costs	2,100	1,808	292
Buildings and grounds maintenance	35,000	33,655	1,345
Equipment rental	5,000	689	4,311
Equipment and vehicles maintenance	30,000	26,926	3,074
Fuel, oil and lubricants -			
Pump stations	60,000	47,472	12,528
Vehicles and equipment	40,000	36,032	3,968
Hazardous materials	5,000	945	4,055
Janitorial supplies	1,000	267	733
Hurricane preparedness supplies	1,500	619	881
Landscaping and mowing	32,500	32,002	498
Photography and VCR equipment	250	-	250
Pump station and flood gates maintenance	70,000	46,613	23,387
Safety and SCUBA equipment	2,500	2,525	(25)
Sanitation and exterminating services	10,200	8,805	1,395
Small tools and shop supplies	9,000	9,315	(315)
Water recorder/elevation gauge/telemetry	8,400	9,978	(1,578)
Canal and swale renovations	30,000	21,092	8,908
Culvert cleaning	50,000	38,621	11,379
Culvert and flapper gate repairs	40,000	39,608	392
Endwall repairs and replacements	5,000	311	4,689
Erosion control	45,000	31,935	13,065
Gates, fences and ramp upgrades	5,000	3,574	1,426
Outfall structures	2,000	-	2,000
Trash rack, piling and tank upgrades	10,000	8,659	1,341
Tree removal	30,000	25,100	4,900

(Continued)

See accompanying notes to the financial statements.

SOUTH BROWARD DRAINAGE DISTRICT
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual - General Fund
(Budgetary Basis) - Continued
For the year ended September 30, 2016

	Final Budget**	Actual - Budgetary Basis	Variance - Favorable (Unfavorable)
Herbicides	\$ 370,000	\$ 273,064	\$ 96,936
Triploid carp	30,000	23,600	6,400
Water testing	8,000	5,410	2,590
Seminars, meetings and conferences	8,500	6,652	1,848
Bank charges	-	291	(291)
Equipment and vehicle purchases	50,000	46,674	3,326
Contingency	10,000	-	10,000
Billing and collection costs	61,867	59,485	2,382
Discounts and commissions	111,361	110,260	1,101
 Total expenditures	 3,345,099	 2,933,560	 411,539
Excess (deficiency) of revenues over expenditures	 \$ (153,884)*	 372,045	 \$ 525,929
 Fund balance at beginning of year		 6,270,788	
Adjustment ***		(389,561)	
 Fund balance at end of year		 \$ 6,253,272	

* Appropriation of Fund Balance

** The District amended certain line items of the original budget on August 25, 2016. The changes were immaterial and only the final amended budget has been presented for purposes of this statement.

*** In order to reconcile the excess of revenues over expenditures for budgetary purposes to GAAP, the adjusted difference between the 2016 and 2015 reserve for encumbrances and reserve fund adjustments, which amount to a total of (\$389,561), would be included as the reconciling item. (See Note 2)

See accompanying notes to the financial statements.

OTHER REPORTS SECTION

SOUTH BROWARD DRAINAGE DISTRICT

**INDEPENDENT AUDITOR'S 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
For the year ended September 30, 2016**

**INDEPENDENT AUDITOR'S 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**

To the Honorable Board of Commissioners,
South Broward Drainage District:

We have audited, in accordance with the 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of South Broward Drainage District ("the District"), as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 9, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

To the Honorable Board of Commissioners,
South Broward Drainage District
Page two

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

January 9, 2017

SOUTH BROWARD DRAINAGE DISTRICT

**INDEPENDENT AUDITOR'S MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA OFFICE
OF THE AUDITOR GENERAL
For the year ended September 30, 2016**

**INDEPENDENT AUDITOR'S MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA OFFICE
OF THE AUDITOR GENERAL**

January 9, 2017

To the Honorable Board of Commissioners,
South Broward Drainage District:

We have audited the financial statements of the South Broward Drainage District, located in Southwest Ranches, Florida, as of and for the year ended September 30, 2016, and have issued our report thereon dated January 9, 2017.

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; and Chapter 10.550, Rules of the Florida Auditor General. We have issued our Independent Auditor's 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*, and Chapter 10.550, Rules of the Florida Auditor General. Disclosures in those reports, if any, which are dated January 9, 2017, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditor's reports or schedule:

- Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no corrective actions, or recommendations made in the preceding annual financial report that need to be discussed in the current management letter.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.
- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.
- Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The South Broward Drainage District was originally established pursuant to the provisions of Chapter 12049, a Special Act of the Florida Legislature in 1927. Since the initial charter was created several revisions have been made by the Florida Legislature, the latest having been completed in 2013. There are no component units of the South Broward Drainage District to be disclosed as required by accounting principles generally accepted in the United States of America.
- Section 10.554(1)(i)5.a., Rules of the Auditor General, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the South Broward Drainage District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.
- Section 10.554(1)(i)5.b., Rules of the Auditor General, requires that we determine whether the annual financial report for the South Broward Drainage District for the year ended September 30, 2015, 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 year ended September 30, 2015. In connection with our audit, we determined that these two reports were in agreement.

- Pursuant to Sections 10.554(1)(i)5.c, and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the South Broward Drainage 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 as of September 30, 2016, and through the date of our audit report, January 9, 2017.
- Pursuant to Section 215.985(11), Florida Statutes and Section 10.554(1)(i)6.a, the District provided monthly financial statements to its governing board and has made such financial statements available for public access on the District's website.
- Pursuant to Section 218.32(1)g Florida Statutes and Section 10.554(1)(i)6.b, the District has provided a link on their website directly to allow the viewing of the District's annual financial report.
- Pursuant to Section 373.536(5)(d) and (6)(d) Florida Statutes and Section 10.554(1)(i)6.c, the District has provided a link on their website directly to allow the viewing of the District's tentative and final adopted budget for the current fiscal year.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of the Board of Commissioners of South Broward Drainage District, management, and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

PART I - CURRENT YEAR COMMENTS AND RECOMMENDATIONS

No comments were noted for the year ended September 30, 2016.

PART II - STATUS OF PRIOR YEAR COMMENTS AND RECOMMENDATIONS

Not applicable as there were no comments or recommendations in the prior year.

SOUTH BROWARD DRAINAGE DISTRICT

**STATEMENT OF EXPLANATION OR REBUTTAL TO
MANAGEMENT LETTER COMMENTS AND RECOMMENDATIONS
For the year ended September 30, 2016**

There is no response required for the current year.

SOUTH BROWARD DRAINAGE DISTRICT

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LOCAL
GOVERNMENT INVESTMENT POLICIES PURSUANT TO CHAPTER 10.556(10),
RULES OF THE STATE OF FLORIDA OFFICE OF THE AUDITOR GENERAL
For the year ended September 30, 2016**

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH LOCAL
GOVERNMENT INVESTMENT POLICIES PURSUANT TO CHAPTER 10.556(10),
RULES OF THE STATE OF FLORIDA OFFICE OF THE AUDITOR GENERAL**

To the Honorable Board of Commissioners,
South Broward Drainage District:

We have examined South Broward Drainage District's compliance with the requirements referenced in Section 218.415, Florida Statutes and Chapter 10.556(10), *Rules of the State of Florida Office of the Auditor General* during the year ended September 30, 2016. Management is responsible for South Broward Drainage District's compliance with those requirements. Our responsibility is to express an opinion on South Broward Drainage District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about South Broward Drainage District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on South Broward Drainage District's compliance with specified requirements.

In our opinion, South Broward Drainage District's complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2016.

January 9, 2017

****MEMORANDUM****

DATE: February 15, 2017
TO: South Broward Drainage District Commissioners
FROM: Kevin M. Hart, P.E.
District Director
Subject: Request to Vacate the Surface Water Management Area Previously Designated on the Property Owned by John W. and Patricia Ann Canada

Comments:

The owners of the property located at 17800 SW 562nd Court, Southwest Ranches, FL 33331 are requesting that SBDD vacate a portion of the Surface Water Management Area (SWMA) that was previously designated and recorded under OR Book 32550, Pages 1577, Broward County Records. All properties in the SW Ranches are required to set aside 20% of their property at elevation 5.0' (or an equivalent storage area) as a SWMA.

The property owners, John W. and Patricia Ann Canada, will dedicate a new SWMA over the property to comply with the 20% SWMA requirement (see attached sketch).

SBDD staff has reviewed the request and has no objections.

Financial impacts to this Agenda Item: none, other than SBDD administrative costs; all other costs will be incurred by the property owner.

The request is for SBDD to vacate and release its interest in the Surface Water Management Area on the property located at 17800 SW 562nd Court, Southwest Ranches, FL 33331, as described in the attached "Release and Vacation of Surface Water Management Area Designation". Said vacation is a Partial Vacation of the Surface Water Management Area recorded under OR Book 32550, Page 1577, B.C.R. This request is subject to the dedication of a new Surface Water Management Area in accordance with SBDD Criteria.

KH
Attachments

Prepared by: South Broward Drainage District
6591 S. W. 160 Avenue
Southwest Ranches, Florida 33331

Return to: South Broward Drainage District
6591 S. W. 160 Avenue
Southwest Ranches, Florida 33331
(954) 680-3337

Folio No.: 5034031130020

**PARTIAL RELEASE AND VACATION OF
SURFACE-WATER MANAGEMENT AREA DESIGNATION**

THIS PARTIAL RELEASE AND VACATION OF SURFACE-WATER MANAGEMENT AREA DESIGNATION executed this ____ day of _____, 2017, by SOUTH BROWARD DRAINAGE DISTRICT, a political subdivision of the State of Florida, having its principal place of business at 6591 Southwest 160 Avenue, Southwest Ranches, Florida, 33331, first party, to **JOHN W. CANADA, JR.** and **PATRICIA ANN CANADA**, his wife, whose post office address is 17800 S.W. 52nd Court, Southwest Ranches, Florida 33331, their successors and assigns as their interest may appear of record, second party:

(Wherever used herein, the term "first party" shall include singular and plural, heirs, legal representatives, assigns of individuals, the successors and assigns of corporations, wherever the context so admits or requires.)

WITNESSETH, that the first said party, for and in consideration of the sum of \$10.00, in hand paid by the said second party, the receipt whereof is hereby acknowledged, does hereby remise, release and quit-claim unto the said second party forever, all the right, title, interest, claim and demand which the said first party has in and to the SURFACE-WATER MANAGEMENT AREA DESIGNATION located on the following described lot, piece or parcel of land situate, lying and being in the County of Broward, State of Florida, to-wit:

THE EAST 25 FEET; TOGETHER WITH THE SOUTH 60 FEET OF THE FOLLOWING DESCRIBED PROPERTY:

LOT 2 OF CANADA ESTATES, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 178, PAGE 27, OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA.

(This is intended to vacate a portion of the surface-water management area dedication recorded on December 28, 2001, in the Broward County Public Records OR Book 32550, Pages 1577-1580.)

The purpose of this Partial Release and Vacation of SURFACE-WATER MANAGEMENT DESIGNATED AREA is to release and vacate the first parties interest in and to the SURFACE-WATER MANAGEMENT DESIGNATED AREA located on second parties property as described above. No other interest of the first party is being released or vacated by this document.

TO HAVE AND TO HOLD, the same together with all singular the appurtenances thereunto belonging or in anywise appertaining, and all the estate, right, title, interest lien, equity and claim whatsoever of the said first party, either in law or equity, to the only proper use, benefit and behoof of the said second party forever.

IN WITNESS WHEREOF, the said first party has caused these presents to be executed in its name, and its seal to be hereunto affixed, by its proper officers thereunto duly authorized the day and year first above written.

Signed, sealed and delivered
in the presence of:

SOUTH BROWARD DRAINAGE DISTRICT

Witness Signature

SCOTT HODGES, Chairperson

Witness Printed Name 1

Witness Signature

ROBERT E. GOGGIN, IV, Secretary

Witness Printed Name 1

District Seal:

STATE OF FLORIDA)
)§
COUNTY OF BROWARD)

The foregoing instrument was executed before me this ___ of _____, 2017 Scott Hodges and Robert E. Goggin, IV, as Chairperson and Secretary, respectively of the SOUTH BROWARD DRAINAGE DISTRICT, first party. They are personally known to me.

WITNESS my hand and official seal in the County and State lat aforesaid this ___ day of _____, 2017.

(NOTARY SEAL & STAMP)

NOTARY PUBLIC: STATE OF FLORIDA AT LARGE

SOUTH BROWARD DRAINAGE DISTRICT

CANADA RESIDENCE



LOCATION: 17800 S.W. 52ND COURT, SWR

(S.W.M.A TO BE DEDICATED)

Prepared by: South Broward Drainage District
6591 S. W. 160 Avenue
Southwest Ranches, Florida 33331

Return to: South Broward Drainage District
6591 S. W. 160 Avenue
Southwest Ranches, Florida 33331
(954) 680-3337

Folio No.: 504031130020

SURFACE-WATER MANAGEMENT AREA DESIGNATION

THIS SURFACE-WATER MANAGEMENT AREA DESIGNATION is granted this 9 day of February 2017, by **JOHN W. CANADA, JR.** and **PATRICIA ANN CANADA**, whose address is 17800 S.W. 52nd Court, Southwest Ranches, Florida 33331, hereinafter referred to as "Grantors", to SOUTH BROWARD DRAINAGE DISTRICT, a political subdivision of the State of Florida, located at 6591 Southwest 160 Avenue, Southwest Ranches, Florida 33331, hereinafter referred to as "District".

WITNESSETH

That the Grantors, for and in consideration of the sum of ten dollars (\$10.00) and other goods and valuable consideration in hand paid by District, the receipt whereof is hereby acknowledged, do hereby grant and convey to District, its successors and assigns, a perpetual and exclusive SURFACE-WATER MANAGEMENT AREA for the storage and flowage of surface water together with any necessary appurtenances incidental and necessary thereto, over, across and through the following described property of Grantors:

SEE EXHIBITS "A" AND "B" ATTACHED HERETO

of such character and sufficient size as to make a proper and adequate drainage system that District, its successors and assigns may establish.

Together with free ingress, egress and regress across said lands for the purpose of maintaining and repairing the drainage system and appurtenances therein.

The Grantors further acknowledge that the SURFACE-WATER MANAGEMENT AREA shall be used for storage and flowage of storm water, shall not be filled in and shall not be raised to an elevation above normal ground elevation and shall be maintained by the Grantors.

IN WITNESS WHEREOF, we have hereunto set our hands and seals the day and year first above written.

Signed, sealed and delivered
in the presence of:

"GRANTORS"

Susan Tratzogui
Witness Signature

John W. Canada, Jr.
Grantor Signature

Susan Tratzogui
Witness Printed Name

JOHN W. CANADA, JR.
Grantor Printed Name

Reina I. Muiriz
Witness Signature

Reina I. Muiriz
Witness Printed Name

SOUTH BROWARD DRAINAGE DISTRICT

Susan Tratzogui
Witness Signature

Susan Tratzogui
Witness Printed Name †

Reina I. Muniz
Witness Signature

Reina I. Muniz
Witness Printed Name †

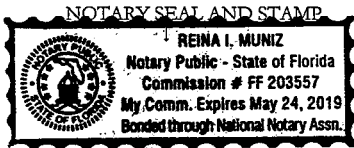
Patricia Ann Canada
Grantor Signature

PATRICIA ANN CANADA
Grantor Printed Name †

STATE OF FLORIDA)
)§
COUNTY OF BROWARD)

THE FOREGOING SURFACE-WATER-MANAGEMENT AREA DESIGNATION WAS ACKNOWLEDGED BEFORE ME THIS 9th DAY OF February, 2017, BY JOHN W. CANADA, JR. AS GRANTOR WHO IS PERSONALLY KNOWN TO ME (OR) HAS PRODUCED Driver's license (TYPE OF IDENTIFICATION).

WITNESS MY HAND AND OFFICIAL SEAL IN THE COUNTY AND STATE LAST AFORESAID THIS 9th DAY OF February, 2017.



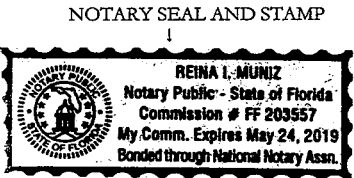
Reina I. Muniz
NOTARY PUBLIC

Reina I. Muniz
PRINTED OR STAMPED NAME OF NOTARY PUBLIC

STATE OF FLORIDA)
)§
COUNTY OF BROWARD)

THE FOREGOING SURFACE-WATER-MANAGEMENT AREA DESIGNATION WAS ACKNOWLEDGED BEFORE ME THIS 9th DAY OF February, 2017, BY PATRICIA ANN CANADA AS GRANTOR, WHO IS PERSONALLY KNOWN TO ME (OR) HAS PRODUCED Driver's license (TYPE OF IDENTIFICATION).

WITNESS MY HAND AND OFFICIAL SEAL IN THE COUNTY AND STATE LAST AFORESAID THIS 9th DAY OF February, 2017.



Reina I. Muniz
NOTARY PUBLIC

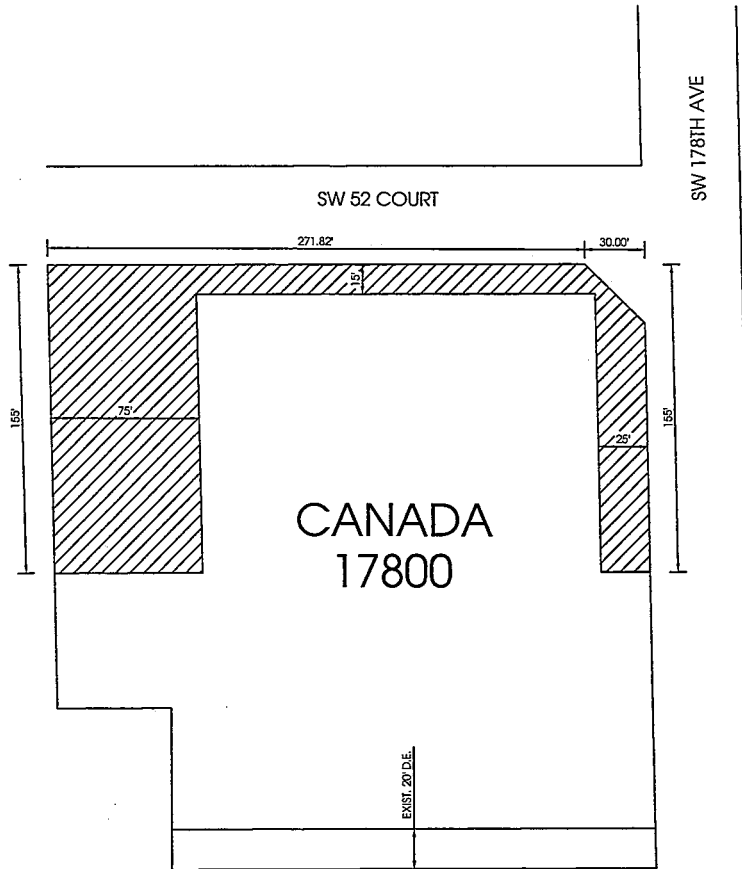
Reina I. Muniz
PRINTED OR STAMPED NAME OF NOTARY PUBLIC


SOUTH BROWARD DRAINAGE DISTRICT

EXHIBIT "A" TO
SURFACE-WATER MANAGEMENT AREA DESIGNATION

THE EAST 25 FEET OF THE NORTH 155 FEET; TOGETHER WITH THE
WEST 75 FEET OF THE NORTH 155 FEET; TOGETHER WITH THE NORTH
15 FEET OF THE FOLLOWING DESCRIBED PROPERTY:

LOT 2 OF CANADA ESTATES, ACCORDING TO THE PLAT THEREOF, AS
RECORDED IN PLAT BOOK 178, PAGE 27, OF THE PUBLIC RECORDS OF
BROWARD COUNTY, FLORIDA.



 SURFACE-WATER MANAGEMENT AREA TO BE
 MAINTAINED AT ELEVATION 5.00' N.G.V.D. (3.50' N.A.V.D.) OR LOWER
 (18,079 S.F. PROVIDED)

THIS DRAWING IS FOR INFORMATIONAL
 PURPOSES ONLY. THIS IS NOT AN ENGINEERING PLAN.

SCALE = N.T.S.
 JOHN & PATRICIA CANADA
 17800 SW 52ND COURT
 PROP. ID # 5040 3113 0020



EXHIBIT B

Prepared by: South Broward Drainage District

RETURN TO: South Broward Drainage District
6591 S. W. 160 Avenue
Davie, FL 33331

Folio N°: 0031-01-0220



INSTR # 101573945
OR BK 32550 PG 1577
RECORDED 12/28/2001 10:47 AM
COMMISSION
BROWARD COUNTY
DEPUTY CLERK 2000

(Original, recorded SWMA TO BE)
VACATED

**SURFACE WATER MANAGEMENT DESIGNATION
AND
DECLARATION OF RESTRICTIVE COVENANTS**

THIS Surface Water Management Designation and Declaration of Restrictive Covenants made this 5 day of December, 2001 by Ihn Canada and Patricia A. Canada whose address is 5621 SW 196 Lane, Southwest Ranches, Fla. 33331 hereinafter referred to as "Property Owners".
WITNESSETH: 33331

WHEREAS, the Property Owners are the fee title owners of certain lands lying and being in the Town of Southwest Ranches, Broward County, Florida, as described in Exhibit "A", attached hereto and made a part hereof, hereinafter referred to as the "Property" and which is also known by Broward County Property Appraiser's Folio N° 0031-01-0220; and

WHEREAS, the Property Owners seek to place certain restrictions on the proposed development which will conform to the level of service for drainage as required by the Broward County Land Development Code, Chapter 5, Article IX, Broward County Code of Ordinances; and

WHEREAS, the Town of Southwest Ranches is relying upon this designation and covenant in issuing a building permit for the property and the South Broward Drainage District ("District") is relying upon this designation and covenant in representing to the Town of Southwest Ranches that the proposed development meets Broward County's level of service for drainage; NOW, THEREFORE,

The Property Owners hereby declare that the Property shall hereafter be held, maintained, transferred, sold, conveyed, and owned subject to the following designation and restrictive covenants:

1. RESTRICTIONS.

A. A surface water management area for the storage and flowage of surface water to meet Broward County's level of service standards is hereby established, over, across, and through the portion of the Property described in Exhibit "B" ("Water Management Area") and Exhibit "C".

B. Property Owners acknowledge that the Property Owners are responsible for maintenance of the entire surface water management area designated by this document and that this area shall be designed, developed, and maintained in accordance with the requirements of the District to ensure that the water management area provides for the retention of surface water to meet the applicable level of service standards.

2. COVENANT RUNNING WITH THE LAND. This Restriction and Declaration shall run with the land described in Exhibits "A", "B" and "C" and shall be binding on all parties and all persons acquiring title to the Property.

3. ENFORCEMENT. The Town of Southwest Ranches, through its Board of Commissioners, its successors and assigns, and the South Broward Drainage District are the beneficiaries of this Declaration and Restriction, and as such, either the District or the Town, or both, may enforce the terms of this Declaration by an action at law or in equity against any person or persons, entity or entities, violating or attempting to violate said terms. Furthermore, violations of this Designation and Restriction shall be contrary to the development permit issued for the development of the Property, and as such, shall constitute a violation of Chapter 5, Article IX, the Broward County Land Development Code, Broward County Code of Ordinances, and may be enforced in any manner that a violation of a county ordinance may be enforced.

4. AMENDMENT. This Designation and Restriction shall be released in part or in whole by the Town of Southwest Ranches Board of Commissioners and the District upon a determination that the applicable level of service has been reduced or that the construction of additional drainage facilities reduces the need for on-site surface water management areas.

IN WITNESS WHEREOF, we have hereunto set our hands and seals the day and year first above written.

Signed, sealed and delivered in the presence of:

[Signature]
Witness Signature 1

Joe Costanzo
Witness Printed Name 1

[Signature]
Witness Signature 1

Joann Long
Witness Printed Name 1

"PROPERTY OWNERS"

[Signature]
Signature

PATRICIA A. CANADA
Print Name

DEFERRED ITEM
Return Document To
Business Operations

4

Pamela Walsh
 Witness Signature 1
PAMELA WALSH
 Witness Printed Name 1
Joann Long
 Witness Signature 1
JOANN LONG
 Witness Printed Name 1

John Canada
 Signature
JOHN CANADA
 Print Name

STATE OF Florida)
 COUNTY OF Broward)S

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the state and county last aforesaid to administer oaths and take acknowledgments, personally appeared *Fabrice A. Canada* to me known to be the person described herein and who executed the foregoing instrument as Property Owner and swore to and before me that the facts alleged in the above instrument are true.

WITNESS my hand and official seal in the county and state last aforesaid this 4 day of December, 2001.

[NOTARY SEAL OR STAMP AFFIXED HERE]

OFFICIAL NOTARY SEAL
 JOANN LONG
 NOTARY PUBLIC STATE OF FLORIDA
 COMMISSION NO. CC743883
 MY COMMISSION EXP. JUNE 9, 2002

Joann Long
 Notary Public:

is personally known to me)
 has produced _____ as identifica-
 tion).

STATE OF Florida)
 COUNTY OF Broward)S

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the state and county last aforesaid to administer oaths and take acknowledgments, personally appeared *John Canada* to me known to be the person described herein and who executed the foregoing instrument as Property Owner and swore to and before me that the facts alleged in the above instrument are true.

WITNESS my hand and official seal in the county and state last aforesaid this 5 day of December, 2001.

[NOTARY SEAL OR STAMP AFFIXED HERE]

OFFICIAL NOTARY SEAL
 JOANN LONG
 NOTARY PUBLIC STATE OF FLORIDA
 COMMISSION NO. CC743883
 MY COMMISSION EXP. JUNE 9, 2002

Joann Long
 Notary Public:

is personally known to me)
 has produced _____ as identifica-
 tion).

EXHIBIT "A"

[LEGAL DESCRIPTION OF PROPERTY BEING DEVELOPED]

LEGAL DESCRIPTION: The East one-half of Tract 22 in Section 31, Township 50 South, Range 40 East, according to the Plat of "FLORIDA FRUIT LANDS COMPANY'S SUBDIVISION NO. 1", as recorded in Plat Book 2, Page 17, of the Public Records of Dade County, Florida. Said Lands situate, lying and being in Broward County, Florida.

EXHIBIT "B"

[LEGAL DESCRIPTION OF SURFACE-WATER MANAGEMENT AREA]

As shown on the attached sketch, the East 25 feet, the West 20 feet and the South 60 feet of the East one-half of Tract 22 in Section 31, Township 50 South, Range 40 East, according to the Plat of "FLORIDA FRUIT LANDS COMPANY'S SUBDIVISION NO. 1", as recorded in Plat Book 2, Page 17, of the Public Records of Dade County, Florida. Said Lands situate, lying and being in Broward County, Florida.

REVISIONS	DATE	DESCRIPTION

JOHN CANADA RESIDENCE
 17810 S.W. 52 COURT
 SOUTHWEST RANCHES, FLORIDA
 DATE: 06/10/14
 DRAWN BY: JAC/MLB
 CHECKED BY: JAC/MLB
 TITLE: GRADING & DRAINAGE PLAN
 SHEET: 1

OR BK 32550 PG 1580
 S. W. 178th AVENUE
 330.15'

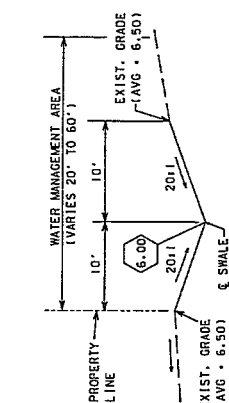
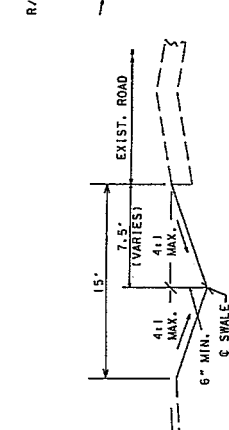
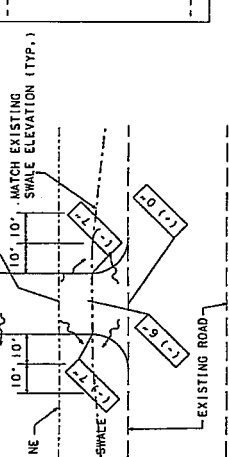
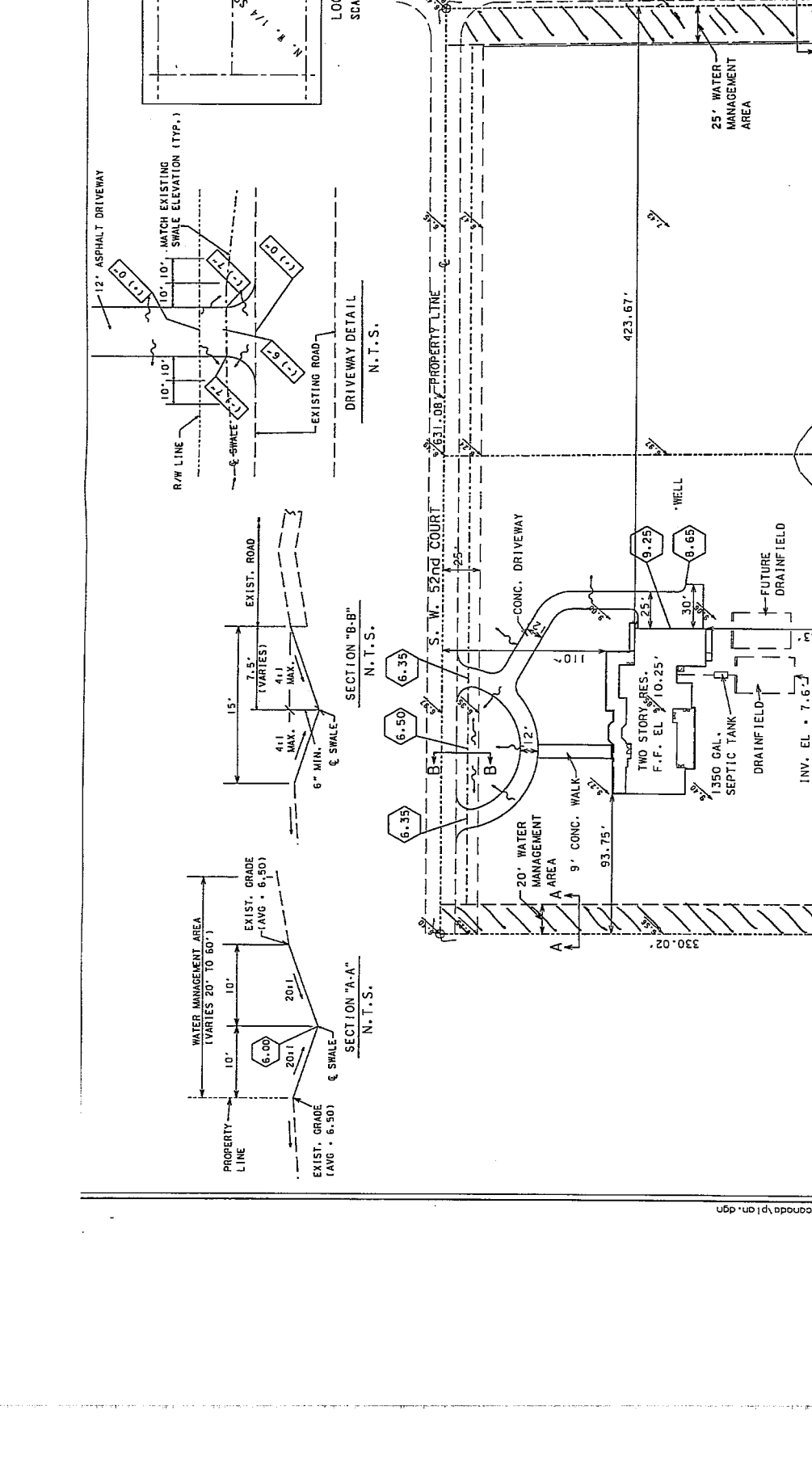


EXHIBIT "C"
 WATER MANAGEMENT AREA
 SCALE 1" = 60'
 EXISTING 6' WIRE FENCE

12" ASPHALT DRIVEWAY
 10' 10' SWALE
 R/W LINE
 10' 10' SWALE
 10' 10' SWALE ELEVATION (TYP.)
 N.T.S.

7.8' (VARIES)
 411 MAX.
 6" MIN. SWALE
 N.T.S.

15'
 6" MIN. SWALE
 6" SWALE
 N.T.S.

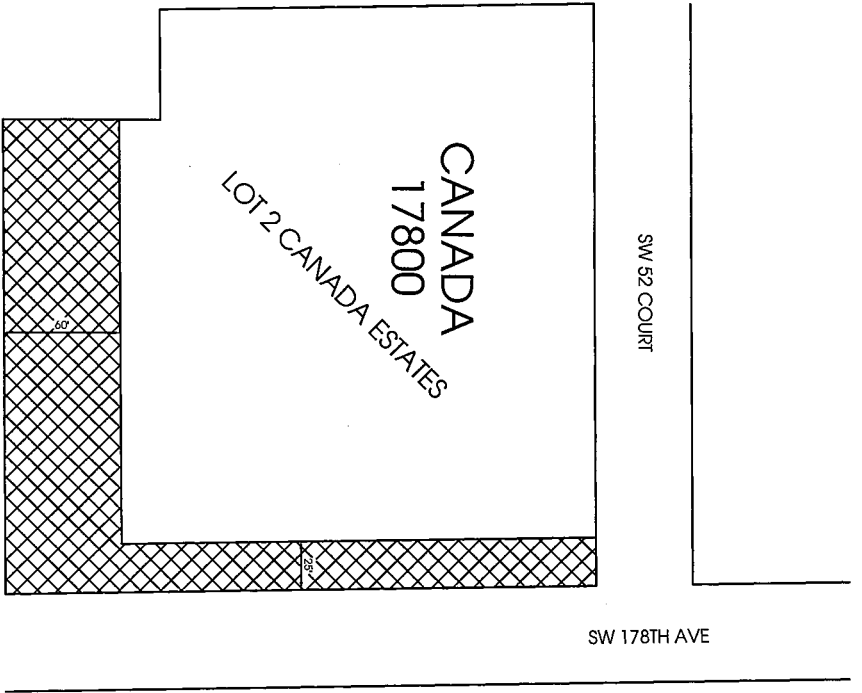
20'
 10'
 10'
 6.00
 20.11
 20.11
 N.T.S.

12" ASPHALT DRIVEWAY
 10' 10' SWALE
 R/W LINE
 10' 10' SWALE
 10' 10' SWALE ELEVATION (TYP.)
 N.T.S.

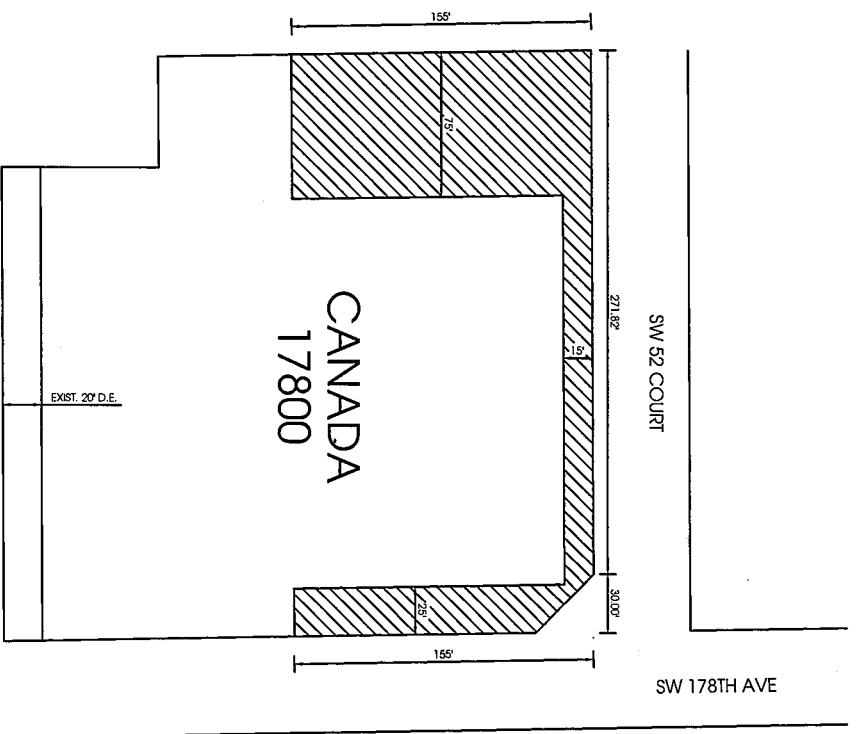
7.8' (VARIES)
 411 MAX.
 6" MIN. SWALE
 N.T.S.

15'
 6" MIN. SWALE
 6" SWALE
 N.T.S.

20'
 10'
 10'
 6.00
 20.11
 20.11
 N.T.S.



☒ SURFACE-WATER MANAGEMENT AREA TO BE VACATED

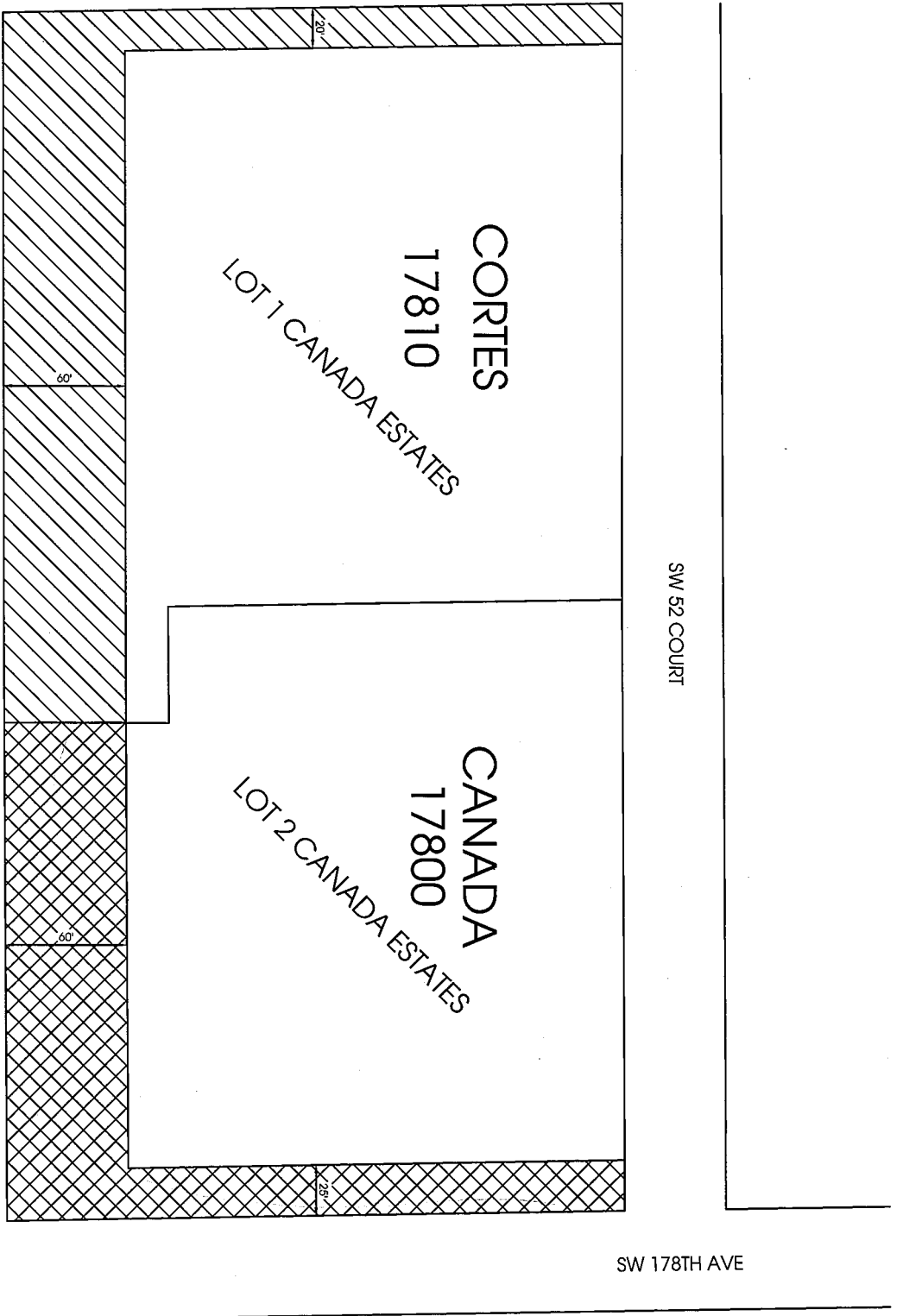


☒ NEW SURFACE-WATER MANAGEMENT AREA

THIS DRAWING IS FOR INFORMATIONAL PURPOSES ONLY. IT IS NOT A CONTRACT DOCUMENT. PROFESSIONAL ENGINEERING PLAN.

SCALE = N1/2"
 JOHN & PATRICIA CANADA
 17800 SW 52ND COURT
 PROP. ID # S040 3113 0020





- EXISTING SURFACE-WATER MANAGEMENT AREA TO REMAIN
- SURFACE-WATER MANAGEMENT AREA TO BE VACATED

THIS DRAWING IS FOR INFORMATIONAL PURPOSES ONLY. THIS IS NOT A FINAL SURVEY. CONSULT A PROFESSIONAL SURVEYOR FOR MORE INFORMATION.

SCALE = N.T.S.
 JOHN & PATRICIA CANADA
 17800 SW 52ND COURT
 PROP. ID # 5040 3113 0020



ORIGINAL SWMA
 DESIGNATIONS ON
 "CANADA ESTATES" PLAT
 PROPERTIES

MEMORANDUM

DATE: February 15, 2017

TO: South Broward Drainage District Commissioners

FROM: Kevin M. Hart, P.E.
District Director

Subject: Request to Vacate a Portion of a 20-Foot Waterway Maintenance Easement on the Property Owned by Marnatha Irene Ternier

Comments:

The owner of the property located at 9531 SW 6th Street, Pembroke Pines, FL 33025 is requesting that SBDD vacate the south ten feet (10') of a 20-foot Waterway Maintenance Easement (WME) that runs along the north property line. The subject property is located in the Skomill Section One residential community and borders an existing water body that was dedicated by the "Skomill Section One" plat (PB 105, PG 39, BCR) to the "perpetual use of the adjacent property owners". The 20-foot WME was also dedicated by the "Skomill Section One" plat.

Based on a survey of the property and a site investigation by SBDD staff, the full width of the 20' WME is not needed for SBDD to access the adjacent water body, if ever needed. There is approximately 32 feet from the edge of water to the back of the 20' WME. Based on the limits of the proposed vacation, SBDD will maintain a minimum of 20 feet outside of the existing edge of water for access purposes.

SBDD staff has reviewed the request and has no objections.

This request is being made in association with an initiative by the property owner to obtain an after-the-fact permit from SBDD for an existing deck located within the 20' WME. The permit from SBDD would be subject to the following: the Board's approval of the partial vacation; a modification to the existing deck to remove an overhead trellis; removal of a second (older), existing deck; entering into an Agreement with SBDD; and payment of all permit fees and costs.

Financial impacts to this Agenda Item: none, other than SBDD administrative costs; all other costs will be incurred by the property owner.

The request is for SBDD to vacate and release its interest in the south 10 feet of the 20-foot Waterway Maintenance Easement on the property located at 9531 SW 6th Street, Pembroke Pines, FL 33025, as described in the attached "Release and Vacation of the South 10' Waterway Maintenance Easement" document.

KH
Attachments

Prepared by
And Return To: South Broward Drainage District
6591 S.W. 160th Avenue
Southwest Ranches, Florida 33331

Folio No.: 514117080670

**RELEASE AND VACATION OF THE SOUTH 10'
WATERWAY MAINTENANCE EASEMENT**

THIS RELEASE AND VACATION OF THE SOUTH 10' OF THE 20' WATERWAY MAINTENANCE EASEMENT is executed this _____ day of _____, 2_____, by SOUTH BROWARD DRAINAGE DISTRICT, a political subdivision of the State of Florida, having its principal place of business at 6591 S.W. 160th Avenue, Southwest Ranches, Florida 33331, first party, to MARNATHA IRENE TERNIER, whose address is 9531 S.W. 6TH Street, Pembroke Pines, Florida 33025, their successors and assigns as their interest may appear of record, second party.

(Wherever used herein, the terms "first party" and "second party" shall include singular and plural, heirs, legal representatives, assigns of individuals, the successors and assigns of corporations, wherever the context so admits or requires.)

WITNESSETH, that the first party, for and in consideration of the sum of \$10.00, in hand paid by the second party, the receipt whereof is hereby acknowledged, does hereby remise, release and quit-claim unto the said second party forever, all the right, title, interest, claim and demand which the said first party has in and to the SOUTH 10' OF THE 20' WATERWAY MAINTENANCE EASEMENT located on the following described lot, piece or parcel of land situate, lying and being in the County of Broward, State of Florida, to-wit:

LOT 20, BLOCK 3 OF "SKOMILL SECTION ONE", ACCORDING TO THE PLAT THEREOF, AS RECORDED IN PLAT BOOK 105, PAGE 39 OF THE PUBLIC RECORDS OF BROWARD COUNTY, FLORIDA AND THAT PORTION OF LOT 21 OF SAID BLOCK 3, DESCRIBED AS FOLLOWS:

Beginning at the Northeast corner of said Lot 21, thence South 89 degrees, 53 minutes, 36 seconds, West along the North line of said Lot 21 for a distance of 39.82 feet, thence South 20 degrees, 00 minutes, 00 seconds, East for a distance of 85.08 feet, thence along the arc of a circular curve concave to the South having for its elements a radius of 50 feet, a delta angle of 12 degrees, 34 minutes, 04 seconds, for a distance of 10.97 feet to the most Easterly corner of said Lot 21, thence North 0 degrees, 6 minutes, 24 seconds, West for a distance of 81.23 feet to the point of beginning.

Said easement having been recorded in the Broward County, Florida Public Records in Plat Book 105, Page 39.

The purpose of this RELEASE AND VACATION OF THE SOUTH 10' OF THE WATERWAY MAINTENANCE EASEMENT is to release and vacate the first party's interest in and to the EASEMENT located on second party's property as described above. No other interest of the first party is being released or vacated by this document.

TO HAVE AND TO HOLD, the same together with all singular the appurtenances thereunto belonging or in anywise appertaining, and all the estate, right, title, interest lien, equity and claim whatsoever of the said first party, either in law or equity, to the only proper use, benefit and behoof of the said second party forever.

IN WITNESS WHEREOF, the said first party has caused these presents to be executed in its name, and its seal to be hereunto affixed, by its proper officers thereunto duly authorized the day and year first above written.

Signed, sealed and delivered
presence of:

SOUTH BROWARD DRAINAGE DISTRICT in the

Witness Signature

SCOTT HODGES, Chairperson

Witness Printed Name

Attest:

Witness Signature

ROBERT GOGGIN IV, Secretary

Witness Printed Name

(DISTRICT SEAL)

STATE OF FLORIDA)
)§
COUNTY OF BROWARD)

The foregoing instrument was executed before me this _____ of _____, 2_____, by SCOTT HODGES and ROBERT GOGGIN IV as President and Secretary, respectively of the SOUTH BROWARD DRAINAGE DISTRICT, first party, who are personally known to me.

WITNESS my hand and official seal in the County and State last aforesaid this _____ day of _____, 2_____.

NOTARY PUBLIC, STATE OF FLORIDA AT LARGE

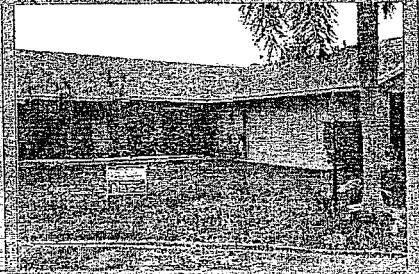
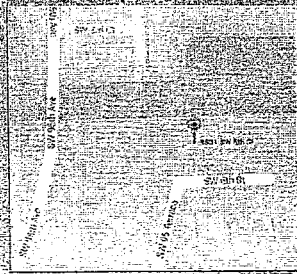
(Notary Seal)



ORDERED BY:



AMERICAN
TITLE SERVICES, INC.



PROPERTY ADDRESS: 9531 SW 6TH STREET PEMBROKE PINES, FLORIDA 33025

SURVEY NUMBER: FL1601.2628

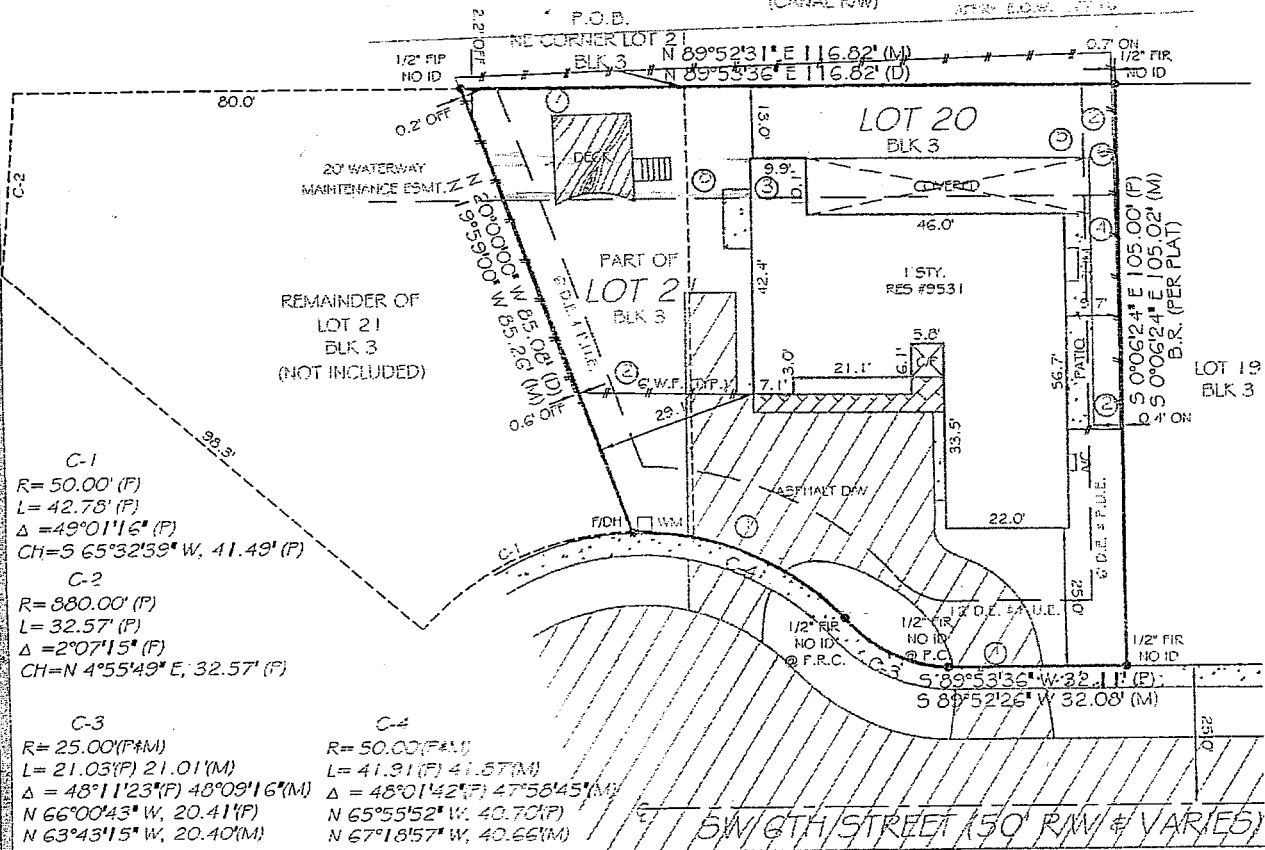
FIELD WORK DATE: 1/27/2016

REVISION DATE(S): (REV.3 3/1/2016) (REV.3 3/1/2016) (REV.1 1/28/2016) (REV.1 2/23/2016)

FL1601.2628
BOUNDARY SURVEY
BROWARD COUNTY

NOTES:
LOT APPEARS TO BE SERVICED BY CITY WATER AND SEWER.
FENCE OWNERSHIP NOT DETERMINED
D.E. & P.U.E. = DRAINAGE EASEMENT AND PUBLIC UTILITY EASEMENT

TRACT "A"
(CANAL ROW)



C-1
R=50.00'(F)
L=42.73'(F)
Δ=49°01'16"(F)
CH=S 65°32'59" W, 41.49'(P)

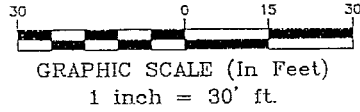
C-2
R=380.00'(F)
L=32.57'(F)
Δ=2°07'15"(F)
CH=N 4°55'49" E, 32.57'(F)

C-3
R=25.00'(F&M)
L=21.03'(F) 21.01'(M)
Δ=48°11'23"(F) 48°09'16"(M)
N 66°00'43" W, 20.41'(F)
N 63°43'15" W, 20.40'(M)

C-4
R=50.00'(F&M)
L=41.91'(F) 41.57'(M)
Δ=48°01'42"(F) 47°56'45"(M)
N 65°55'52" W, 40.70'(F)
N 67°18'57" W, 40.66'(M)

I hereby certify that this Boundary Survey of the hereon described property has been made under my direction, and to the best of my knowledge and belief, it is a true and accurate representation of a survey that adheres to the Standards of Practice set forth by the Florida Board of Professional Surveyors & Mappers, Chapter 5J-17 of the Florida Administrative Code.

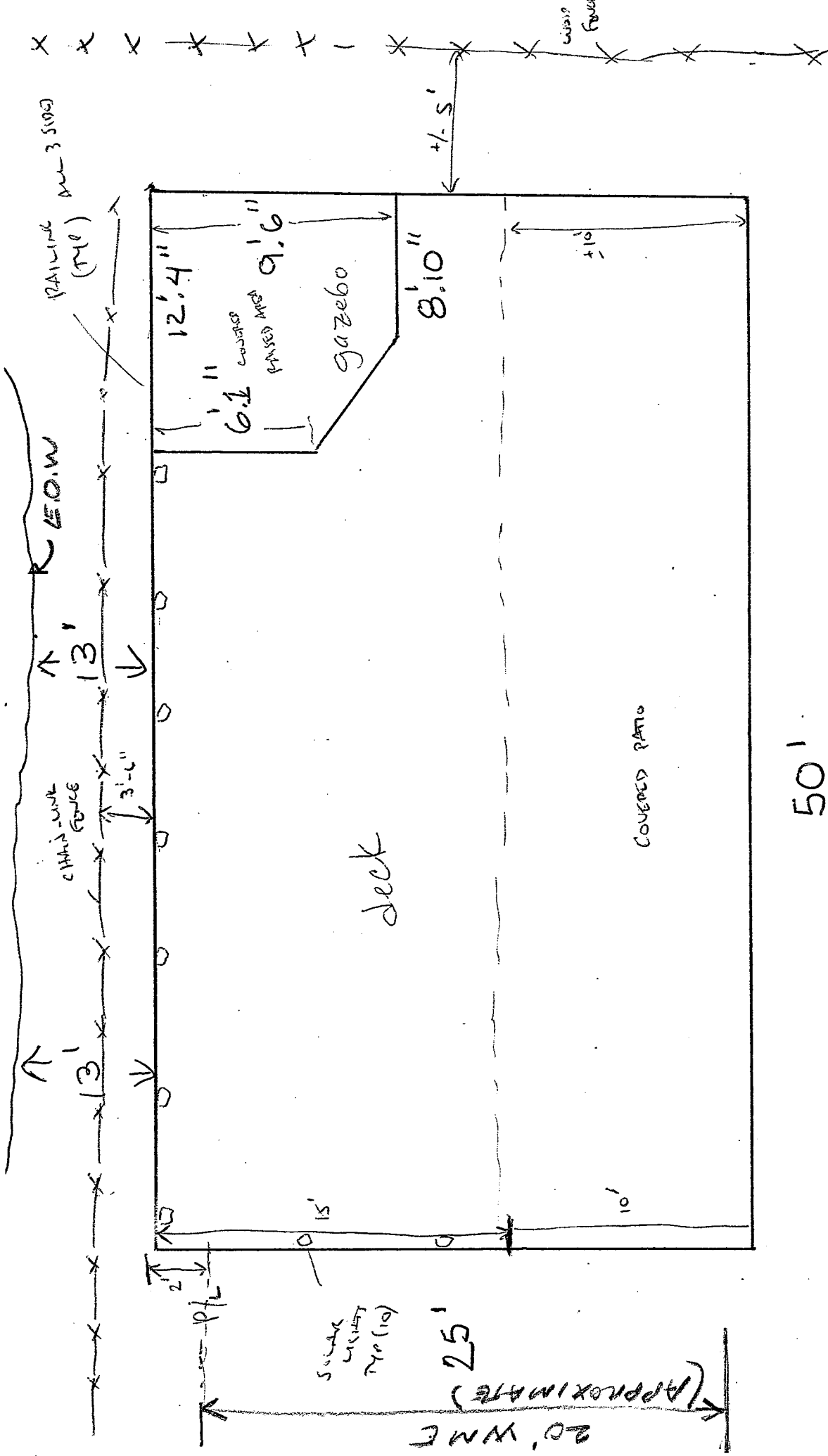
RONALD W. WALLING
State of Florida Professional Surveyor and Mapper
License No. 6473



Use of This Survey for Purposes other than Intended, Without Written Verification, will be at the user's Sole Risk and Without Liability to the Surveyor.
Nothing hereon shall be construed to Give ANY Rights or Benefits to Anyone Other than those Certified.

FLOOD INFORMATION:
BY PERFORMING A SEARCH WITH THE LOCAL GOVERNING MUNICIPALITY OR WWW.FEMA.GOV, THE PROPERTY APPEARS TO BE LOCATED IN ZONE X500. THIS PROPERTY WAS FOUND IN THE CITY OF PEMBROKE PINES, COMMUNITY NUMBER 120053, DATED 08/18/14.

POINTS OF INTEREST
1. ASPHALT DRIVEWAY OVER 12' DRAINAGE EASEMENT AND PUBLIC UTILITY EASEMENT. 2. WOOD FENCE OVER 12' DRAINAGE EASEMENT AND PUBLIC UTILITY EASEMENT. 3. PATIO OVER 12' DRAINAGE EASEMENT AND PUBLIC UTILITY EASEMENT. 4. CONCRETE DRIVEWAY OVER 12' DRAINAGE EASEMENT AND PUBLIC UTILITY EASEMENT. 5. CONCRETE DRIVEWAY OVER 12' DRAINAGE EASEMENT AND PUBLIC UTILITY EASEMENT. 6. CONCRETE DRIVEWAY OVER 12' DRAINAGE EASEMENT AND PUBLIC UTILITY EASEMENT. 7. WOOD DECK OVER 20' WATERWAY MAINTENANCE EASEMENT. 8. CONCRETE DRIVEWAY OVER WATERWAY MAINTENANCE EASEMENT.



SKETCH SHOWING EXISTING DECK

N.T.S

NOTE: PEMBROKE PINES SIDE SETBACK FOR A DECK = 5'

PREPARED BY AND RETURN TO:
KELLY ERRAIR
AMERICAN TITLE SERVICES, INC.
441 South State Road 7, Suite 9A
Margate, FL 33068
FILE No. 15-482
CONSIDERATION: \$329,000.00

WARRANTY DEED

Made this 4th day of March, 2016 by **BO JIANG**, a married man whose post office address is: 3575 SW 173rd Way Miramar, FL 33029 hereinafter called the Grantor, to **MARNATHA IRENE TERNIER**, a married woman, whose post office address is: 9531 SW 6th Street, Pembroke Pines, FL 33025, hereinafter called the Grantee:

(Whenever used herein the term "Grantor" and "Grantee" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations)

Witnesseth, that the grantor, for and in consideration of the sum of \$329,000.00 and other valuable considerations, receipt whereof is hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirms unto the Grantee, all that certain land situate in Broward County, to-wit:

Lot 20, Block 3, SKOMILL SECTION ONE, according to the plat thereof as recorded in Plat Book 105, page 39, Public Records of Broward County, Florida and that portion of Lot 21 of said Block 3, described as follows:

Beginning at the Northeast corner of said Lot 21, thence South 89 degrees, 53 minutes 36 seconds West along the North line of said Lot 21, for a distance of 39.82 feet, thence South 20 degrees 00 minutes 00 seconds East for a distance of 85.08 feet, thence along the arc of a circular curve concave to the South having for its elements a radius of 50 feet, a delta angle of 12 degrees 34 minutes 04 seconds, for a distance of 10.97 feet to the most Easterly corner of said Lot 21, thence North 0 degrees 6 minutes 24 seconds West for a distance of 81.23 feet to the point of beginning.

Tax Folio Number: 514117-08-0670

Grantor warrants that at the time of this conveyance, the subject property is not the Grantor's homestead within the meaning set forth in the constitution of the State of Florida, nor is it contiguous to or a part of homestead property. Grantor's residence and homestead address is: 3575 SW 173rd Way Miramar, FL 33029

Together with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

To Have and to Hold, the same in fee simple forever.

And the Grantor hereby covenants with said Grantee that the grantor is lawfully seized of said land in fee simple; that the Grantor has good right and lawful authority to sell and convey said land; that the Grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is free of all encumbrances except taxes accruing subsequent to December 31, 2016, and covenants, conditions, restrictions and easements recorded in the public records.

In Witness Whereof, the said Grantor has signed and sealed these presents the day and year first above written.

Signed, sealed and delivered in our presence:

Witness Print: Tim V. Milianta
Witness Print: Neeling Avanzini

Bo Jiang
Bo Jiang

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 4th day of March, 2016, by BO JIANG, who is/are personally known to me or who has/have produced FLDC as identification.



Tim V. Milianta
Notary Public, Tim V. Milianta
My Commission Expires: 04/11/18

*****MEMORANDUM*****

DATE: February 15, 2017

TO: South Broward Drainage District Commissioners

FROM: Kevin M. Hart, P.E.
District Director

Subject: SBDD Resolution No. 2017-01 – Approval and Adoption of SBDD Policies and Guidelines for the Sale, Lease, Conveyance, or Transfer of Surplus Land

Comments:

Attached for the Board's review and approval is SBDD Resolution No. 2017-01 which will adopt proposed Policies and Guidelines for the sale, lease, conveyance, or transfer of surplus land. The Policies and Guidelines have been revised to incorporate the changes requested by the Board at the November Board meeting.

The proposed Policies and Guidelines are intended to provide the District with a mechanism for disposing of surplus land in a manner that is in the best interest of the District, and the Board shall be required to approve the sale, lease, conveyance, or transfer of any surplus land.

The District Director is requesting approval of the attached Policies and Guidelines for the sale, lease, conveyance, or transfer of any surplus land.

Financial impacts to this Agenda Item: there are no immediate financial impacts to this agenda item. Approval of Resolution No. 2017-01 will establish policies and guidelines for the District to sell, lease, convey, or transfer surplus land within the District; and the Board of Commissioners shall be required to approve of the sale, lease, conveyance, or transfer of any surplus land.

This is to request approval of SBDD Resolution 2017-01 – SBDD Policies and Guidelines for the Sale, Lease, Conveyance, or Transfer of Surplus Land.

KH
Attachments

SOUTH BROWARD DRAINAGE DISTRICT RESOLUTION No. 2017-01

RESOLUTION OF THE SOUTH BROWARD DRAINAGE DISTRICT APPROVING AND ADOPTING THE SOUTH BROWARD DRAINAGE DISTRICT POLICIES AND GUIDELINES FOR THE SALE, LEASE, CONVEYANCE, OR TRANSFER OF SURPLUS LAND; PROVIDING FOR THE DISPOSITION OF MONIES OR FUNDS RECEIVED FROM THE SALE, LEASE, CONVEYANCE, OR TRANSFER OF LAND; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the South Broward Drainage District, a political subdivision of the State of Florida, and an independent water management district hereinafter referred to as "District", is charged with the responsibility of effecting drainage and water management within its geographical boundaries; and

WHEREAS, over the years, the District has acquired numerous parcels of land for the purpose of drainage, water management, maintenance, or other purposes; and

WHEREAS, pursuant to Section 298.22(3), Florida Statutes, the District is authorized to sell, lease, convey, or transfer real property; and

WHEREAS, from time to time, the District may determine that real property owned by the District is no longer required for drainage, water management or other purposes, and that said land should be designated as "surplus land"; and

WHEREAS, the District Board of Commissioners has determined that the District should approve and adopt a set of Policies and Guidelines for the sale, lease, conveyance, or transfer of surplus land owned by the District; and

WHEREAS, the intent of these Policies and Guidelines is to provide the District with a mechanism for disposing of surplus land in a manner that is most advantageous to and is in the best interest of the District; and

WHEREAS, the District's Director has submitted to the District Board of Commissioners proposed Policies and Guidelines for the Sale, Lease, Conveyance, or Transfer of Surplus Land ("Policies and Guidelines"); and

WHEREAS, the proposed Policies and Guidelines are stated in the attached Exhibit "A"; and

WHEREAS, the District Director has recommended that the Policies and Guidelines be approved and adopted by the Board of Commissioners; and

WHEREAS, the Policies and Guidelines shall be followed by the District in the sale, lease, conveyance, or transfer of any surplus land; and

WHEREAS, a public hearing was held at the offices of the South Broward Drainage

District located at 6591 S.W. 160th Avenue, Southwest Ranches, Florida 33331 at 8:00 A.M. on Thursday, the 23th day of February, 2017 for the purpose of approving and adopting the Policies and Guidelines;

NOW, THEREFORE, be it resolved by the Board of Commissioners of the South Broward Drainage District in meeting assembled that:

1. The foregoing statements are true and correct and are incorporated herein by reference as if fully stated herein.

2. The South Broward Drainage District Policies and Guidelines for the Sale, Lease, Conveyance, or Transfer of Surplus Land as stated in the attached Exhibit "A" are approved and adopted.

3. All monies or funds received from the sale, lease, conveyance, or transfer of land shall be deposited in the District's General Operating Account to be used for proper District purposes.

3. If any one or more of the covenants, agreements or provisions of this Resolution or the attached Exhibit "A" shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be separate from the remaining covenants, agreements or provisions and shall in no way affect the validity of all other provisions of this Resolution or the attached Exhibit "A".

4. The South Broward Drainage District Policies and Guidelines for the Sale, Lease, Conveyance, or Transfer of Surplus Land shall take effect as of the 23rd day of February, 2017 and shall be effective until revised or changed by the District Board of Commissioners by subsequent resolution.

5. This Resolution shall take effect immediately upon its adoption.

IN WITNESS WHEREOF, the Chairperson of the Board of Commissioners of the SOUTH BROWARD DRAINAGE DISTRICT has hereunto set his hand and the Secretary of the Board of Commissioners of the SOUTH BROWARD DRAINAGE DISTRICT has caused to be set its seal.

ADOPTED AND DATED the _____ day of _____, 2017.
SOUTH BROWARD DRAINAGE DISTRICT

(SEAL)

By: _____
Scott Hodges, Chairperson

Attest:

Robert E. Goggin, IV, Secretary

STATE OF FLORIDA)
)§
COUNTY OF BROWARD)

The foregoing Resolution No. 2017-01 was acknowledged before me this ____ day of _____, 2017 by SCOTT HODGES and ROBERT E. GOGGIN, IV, as Chairperson and Secretary, respectively of the SOUTH BROWARD DRAINAGE DISTRICT, a political subdivision of the State of Florida, on behalf of SOUTH BROWARD DRAINAGE DISTRICT. They are personally known to me.

WITNESS my hand and official seal in the county and state last aforesaid this ____ day of February, 2017.

(NOTARY SEAL OR STAMP)

↓

Notary Public - State of Florida at Large

EXHIBIT "A"

SOUTH BROWARD DRAINAGE DISTRICT
POLICIES AND GUIDELINES FOR THE SALE, LEASE, CONVEYANCE, OR
TRANSFER OF SURPLUS LAND

FEBRUARY 2017

I. *General*

- A. The South Broward Drainage District (SBDD) Board of Commissioners (Board) has established the following policies and guidelines for the District to follow in the sale, lease, conveyance, or transfer of surplus land.

II. *Definitions*

- A. For purposes of these policies and guidelines, "land" or "lands" shall refer to any land or water body located within the jurisdictional boundaries of the SBDD. Lands shall not include any habitable structures or buildings, unless otherwise designated and approved by the Board.
- B. "Surplus land" shall mean land or lands that are no longer needed by SBDD for drainage, water management, maintenance, or other purposes as determined by the Board.
- C. "Transfer of land" shall mean the transfer of property by SBDD to a second party at no cost or of such cost as provided by these Policies and Guidelines. In this case, the District would transfer its ownership of the land through a quit claim deed, with no monetary compensation or payment in return or at such compensation or payment as stated herein.

III. *Background*

- A. Over the years SBDD has acquired numerous parcels of land for the purpose of drainage, water management, maintenance, or other purposes. These lands have been acquired through dedications by plat, by separate instruments, transfers, and other means.
- B. From time to time, SBDD may determine that lands owned by the District are no longer required for drainage, water management, maintenance, or other purposes, and are therefore considered to be surplus land.
- C. It is the intent of these policies and guidelines to provide SBDD with a mechanism for disposing of surplus land in a manner that is most advantageous to and in the best interest of the District.

EXHIBIT "A"

IV. *Guidelines for Disposing of Surplus Land*

- A. Prior to the sale, conveyance, or transfer of any surplus land, the Board shall make a determination that the property in question is surplus land. District land shall be considered surplus when:
 1. It is not required for present or future works of the District.
 2. It is not required for drainage or water management purposes.
 3. It is not required for maintenance or operational purposes.
 4. It has no apparent present or future purpose under the District's Water Control Plan or the District Charter to wit: Chapter 98-524, Laws of Florida.
 5. It has no apparent present or future purpose as identified in the District's Facilities Report.
 6. The disposition of the land shall not create any adverse impacts upon the operations of the District or the level of service currently being provided by the District.
 7. The disposition of the land will not cause any financial hardship on the District.
- B. In determining if a property is considered to be surplus land, the District may consider the following factors:
 1. The future owner of the property is willing to dedicate an easement over the property that will grant the District with the same rights and authorities as currently provided by the District owning the land. Under this proviso, any sale, conveyance, or transfer of land would be subject to the dedication of the required easement(s).
 2. As part of the transfer of the surplus land, the District may retain an easement or easements that provide the District with the same rights and authorities as currently provided by the District owning the surplus land. The District may also require such restrictive covenants as the District determines are necessary to protect the rights of the District.
- C. The District may sell, convey, or transfer surplus land in the following manners, as determined by the Board to be in the best interest of the District:
 1. By selling the property to the highest bidder.
 2. By selling the property to the adjacent property owner for a price at, or above, the appraised value of the land, unless otherwise authorized by the Board.
 3. By transferring the property to the adjacent property owner.
 4. By transferring the property back to the property owner who originally deeded the property to the District, or successor property owner(s).
 5. By transferring the property to another governmental agency or other interested party.

EXHIBIT "A"

V. *Sale of Surplus Land*

- A. The following procedures shall be followed for the sale of surplus lands by the District:
1. Prior to the sale of the property, the following documents shall be prepared:
 - i. A survey of the land, dated within 12 months of the date of the sale, or as otherwise accepted by the Board.
 - ii. A sketch, and an accurate legal description of the property, including the acreage of the land.
 - iii. Title information to include: (1) a copy of the instrument by which the District acquired its interest in the land; and (2) a review by a title company to identify any additional owners and any title exceptions, including any existing easements.
 - iv. A certified appraisal of the land, dated within 120 days prior to the date of the sale, or as otherwise accepted by the Board. The cost of the appraisal shall be paid for by purchaser/grantee of the property.
 - v. Documentation showing that the proposed sale would not violate any applicable subdivision or platting laws.
 - vi. Verification by the District that the proposed sale is not contrary to the public interest.
 - vii. Other survey, informational, or engineering data deemed necessary to evaluate the sale of the property.
 - viii. The cost of obtaining the above referenced documents shall be paid for by the purchaser/grantee of the property.
 2. SBDD shall advertise the sale and obtain bids for the surplus land by advertising the notice of sale once a week for 2 consecutive weeks in a newspaper in general circulation in Broward County, Florida; the second of which will be placed at least seven (7) days prior to the bid date. Upon receipt of the bids, the District shall evaluate the bids, and the bid of the highest bidder complying with the terms of the notice shall be accepted unless the District Director recommends that all bids be rejected because they are too low. The Board may require that a deposit or surety bond be given in the form or amount as the Board determines, with each bid submitted.
 3. Whenever possible, the District shall sell surplus land at a price at or above the appraised value of the land. In those cases where the District advertises for the sale of surplus land and receives no bids, or no acceptable bid is received by the District, then the District may sell the surplus land to the person or entity who submits the highest acceptable offer to the District after the bid opening date or the date the Board rejects all bids, without having to advertise the sale for a second time.
 4. In those cases where the District advertises for the sale of surplus land and receives no acceptable bids at or above the appraised value of the land, then the District may sell the surplus land at a price lower than the appraised

EXHIBIT "A"

value to the person or entity who submitted the highest acceptable offer; without having to advertise the sale for a second time.

- B. When the Board finds that a parcel of surplus land is of insufficient size and shape to be used for any type of useful development by the District on the land or when the Board finds that the value of the land is \$25,000 or less, as determined by an appraiser designated by the Board or as determined by the Broward County Property Appraiser, and when due to the size, shape, location, or value of the land, it is determined by the Board that the parcel is of use to only one or more adjacent property owners, the Board may effect a private sale of the land. The Board may, after sending notice of its intended action to owners of adjacent property by certified mail, effect a sale and conveyance of the parcel at private sale without receiving bids or publishing notice; however, if within 10 working days after receiving such mailed notice, 2 or more owners of adjacent property notify the Board of their desire to purchase the land, the Board shall accept sealed bids for the land from such property owners and may convey such land to the highest bidder or may reject all offers.
- C. The Board shall be required to approve the sale of any surplus land, and the conveyance of the property shall be made by quit claim deed. The surplus land will be conveyed/sold "as-is" with no representations as to marketability, zoning, authorized use, land use requirements, availability or cost of municipal or county services or impact fees, requirements of platting, restrictions or other encumbrances.

VI. *Transfer of Surplus Land*

- A. The District may transfer surplus land to a second party under the following terms and conditions:
 - 1. The subject property has been determined by the Board to be surplus land as defined under these Policies and Guidelines.
 - 2. The sale of the subject property provides no substantial benefit to the District from a financial or other perspective.
 - 3. The original purpose and benefit of the dedication of the surplus land to the District is no longer applicable; or the District is able to obtain easement rights over the subject property, which will grant the District with the rights and authorities required by the District.
 - 4. The second party to whom the subject property will be transferred is the rightful party to whom the property should be transferred, and there are no other parties that would have a reasonable interest in obtaining the subject property.
 - 5. The transfer of the property will not create any undue hardship or harm to any other property or party.
- B. The following procedures shall be followed for the transfer of surplus land by the District:

EXHIBIT "A"

1. Prior to the transfer of the property, the following documents shall be prepared:
 - i. A survey of the land, dated within 12 months of the date of the transfer, or otherwise accepted by the Board.
 - ii. A sketch, and an accurate legal description of the property, including the acreage of the land.
 - iii. Title information to include: (1) a copy of the instrument by which the District acquired its interest in the land; and (2) a review by a title company to identify any additional owners and any title exceptions, including any existing easements.
 - iv. A certified appraisal of the land, dated within 120 days prior to the date of the sale or transfer shall be obtained by SBDD, or as otherwise accepted by the Board. The cost of the appraisal shall be paid for by purchaser/grantee of the property.
 - v. Documentation showing that the proposed transfer would not violate any applicable subdivision or platting laws.
 - vi. Verification by the District that the proposed transfer is not contrary to the public interest.
 - vii. Other survey, informational, or engineering data deemed necessary to evaluate the transfer of the property.
 - viii. The cost of obtaining the above referenced documents shall be paid for by the purchaser/grantee of the property.
- C. The Board may waive the requirement for a survey, title information, or appraisal if it is determined that one or more of these documents are not necessary for the transfer of the surplus land in question.
- D. The Board shall be required to approve all transfers of surplus land, and the conveyance shall be made by quit claim deed. The surplus land will be conveyed/transferred "as-is" with no representations as to marketability, zoning, authorized use, land use requirements, availability or cost of municipal or county services or impact fees, requirements of platting, restrictions or other encumbrances.

VII. *Lease of Surplus Land*

- A. For purposes of these Policies and Guidelines, the District may lease surplus land or other land as so determined by the Board in accordance with these Policies and Guidelines.
- B. The following procedures shall be followed for the lease of surplus land or other land by the District:
 1. District-owned land may be leased to the highest and best bidder for the particular use the Board deems to be highest and best, for such length of term and such conditions as the Board may in its discretion determine.
 2. The Board is authorized to modify or extend all existing leases with such terms and conditions as the Board may in its discretion determine.

EXHIBIT "A"

3. All leases shall contain a provision that the District may terminate the lease upon six (6) months written notice sent to the Lessee by certified mail.
4. All leases shall contain a provision that the Lessee shall pay all property taxes and assessments that are assessed against the property.
5. The Lessee shall enter into an Agreement with the District which shall contain all terms and conditions of the lease.

VIII. *Reimbursement of Costs*

- A. Notwithstanding anything stated herein, the purchaser, transferee or lessee of any land subject to these policies and guidelines shall be responsible to pay for all costs and expenses incurred by the District that are associated with said sale, conveyance, transfer or lease of land, or as may be negotiated or required by the Board.

THE POLICIES AND GUIDELINES WERE APPROVED AND ADOPTED BY THE SBDD BOARD OF COMMISSIONERS ON FEBRUARY 23, 2017 BY RESOLUTION 2017-01

South Broward Drainage District
Comparative Statement of Revenues and Expenses
General Fund (Budgetary Basis)

Ordinary Income/Expense	<u>Oct '16 - Jan 17</u>	<u>Annual Budget</u>
Income		
1402 · Maintenance	2,759,020.37	3,110,681.00
1404 · Permit Fees	25,125.00	35,000.00
1405 · 5 Year Recertification Program	12,941.00	35,000.00
1406 · Residential and Lot Permit Fees	9,233.00	25,000.00
1407 · Telecommunications Annual Fee	3,500.00	3,500.00
1408 · Appropriation of Fund Balance	0.00	188,560.90
1410 · Interest Income	3,838.16	6,000.00
1416 · Miscellaneous Income	1,397.55	1,000.00
Total Income	2,815,055.08	3,404,741.90
Expense		
1412 · South Broward Collection Fee	52,790.41	62,213.62
1414 · Discounts (Early Tax Payments)	109,192.55	111,984.52
1501 · Administrative - Office	118,544.80	345,246.72
1503 · Board of Supervisors	12,600.00	37,800.00
1505 · Field Operations	178,417.56	518,706.24
1506 · Inspectors/Project Coord.	87,461.64	255,211.84
1507 · Payroll Taxes - FICA	30,780.73	93,480.31
1509 · Pension	39,453.58	107,467.12
1513 · Payroll Other	48,209.63	64,681.53
1520 · Accounting Fees	12,000.00	25,000.00
1535 · Engineer/Consult Fees/Spec Proj	2,700.00	65,000.00
1540 · Legal Fees	10,562.50	60,000.00
1543 · Legal Fees Special Proj.	0.00	25,000.00
1544 · Other Expense	0.00	1,000.00
1550 · Commercial Property Package	32,710.00	36,000.00
1555 · General/Hazard Liability	37,680.00	38,000.00
1560 · Group Health, Life & Dental	107,077.80	395,000.00
1570 · Workers Compensation	20,817.00	38,500.00
1575 · Advertising	453.90	6,500.00
1585 · Computer Supplies - Upgrades	735.14	10,000.00
1590 · Dues & Subscriptions	4,290.00	5,800.00
1600 · FPL - Electric	3,677.67	13,000.00
1603 · Gas (LP) Auxiliary Power	0.00	5,000.00
1605 · Janitorial Service	558.75	2,000.00
1610 · Licenses & Fees	175.00	1,000.00
1615 · Maintenance Contracts	4,044.11	10,200.00
1620 · Uniforms	698.84	2,500.00
1625 · Office Supplies - Postage	1,652.44	5,000.00
1630 · Payroll Service	1,425.82	3,800.00
1635 · Printing - Stationary	21.71	1,800.00
1640 · Public Records Storage/Filing	1,431.00	35,000.00
1645 · Telephone - Misc. Communication	4,826.04	15,000.00

South Broward Drainage District
Comparative Statement of Revenues and Expenses
General Fund (Budgetary Basis)

	<u>Oct '16 - Jan 17</u>	<u>Annual Budget</u>
1650 · Water & Sewer	857.04	2,100.00
1655 · Buildings & Grounds	13,955.55	35,000.00
1660 · Equipment Rental/Outside Svcs.	5,622.02	5,000.00
1665 · Equip/Vehic/Boats/Hvy Equip	7,770.12	30,000.00
1670 · Fuel/Oil/Lubric. (Pump Stat)	1,664.24	60,000.00
1675 · Fuel/Oil/Lubric. (Vehic/Equip)	11,471.42	40,000.00
1677 · Hazardous Mat./Spill Cont.	0.00	5,000.00
1680 · Janitorial Supplies - Carp. Clg	0.00	1,000.00
1683 · Hurricane Preparedness Supp.	0.00	1,500.00
1685 · Landscaping & Mowing	15,111.56	35,000.00
1690 · Photography - VCR Equip. & Phot	0.00	250.00
1695 · Pump Stations - Flood Gates	68,169.69	70,000.00
1700 · Safety/SCUBA - Inspect Equip.	984.38	2,500.00
1705 · Sanitat. - Exterminating Serv.	5,435.13	10,000.00
1710 · Small Tools - Shop Supplies	2,183.90	9,000.00
1715 · Water Recorder/Elev Gge/Telemetry	180.84	8,000.00
1720 · Canal/Swale Cleaning/Renovation	8,034.19	30,000.00
1725 · Culvert Cleaning/Inspection	12,862.50	50,000.00
1730 · Culvert Repair - Flapper Gates	0.00	40,000.00
1735 · Endwall Repair - Replace./Upgrd	0.00	5,000.00
1740 · Erosion Control	0.00	45,000.00
1745 · Gates/Barrier/Fence/Ramp/Sign	33.20	5,000.00
1747 · Outfall Structures	0.00	2,000.00
1750 · Trash Rack/Piling/Tank Upgr.	0.00	10,000.00
1755 · Tree Removal	130.59	30,000.00
1765 · Herbicides	72,770.18	370,000.00
1770 · Triploid Carp/Fsh Guards/Maint	4,196.00	30,000.00
1775 · Water Testing	0.00	8,000.00
1780 · Seminars/Meetings/Conferences	3,243.17	8,500.00
1781 · Basin S-3 Drainage Improvements	0.00	0.00
1785 · Equip./Vehicle Replace./Upgrd	6,377.45	50,000.00
1797 · Contingency/Misc Expense	0.00	10,000.00
Total Expense	<u>1,166,041.79</u>	<u>3,404,741.90</u>

SOUTH BROWARD DRAINAGE DISTRICT
SUMMARY OF DISTRICT FUNDS
February 14, 2017

SBDD ASSET ACCOUNTS

Fund	Cash on Hand	Subtotals	Institution	Investment Accounts	Fund Totals	
UNASSIGNED						
General	\$2,156,074	\$2,156,074	Suntrust AdvantageNow	\$39,855	CD-FL Community	\$2,588,668
				\$247,500	CD- PNC Bank	
				\$145,239	CD-Bank United	
Payroll	\$42,187	\$42,187	Suntrust			\$42,187
COMMITTED						
Capital Improvements	\$838,595	\$838,595	Suntrust Reserve	\$247,500	CD-Stonegate	\$1,599,664
				\$247,500	CD-Landmark	
				\$184,500	CD-Centennial	
				\$81,569	CD-FL Community	
Emergency	\$3,246,697	\$3,246,697	Suntrust Reserve			\$3,246,697
Separation	\$160,668	\$160,668	Suntrust Reserve	\$51,048	CD-Bank United	\$274,716
				\$63,000	CD-Centennial	
Totals	\$6,444,221	\$6,444,221		\$1,307,711		\$7,751,932

SBDD LIABILITY ACCOUNT

Fund	Cash on Hand	Subtotals	Institution	Investment Accounts	Fund Totals	
As-Built	\$54,791	\$54,791	Suntrust Paying	\$51,213	CD-Bank United	\$479,580
				\$247,500	CD-TD Bank	
				\$126,076	CD-FL Community	
Total	\$54,791	\$54,791		\$424,789		\$479,580
FUND TOTALS				\$1,732,500		\$8,231,512

SBDD INVESTMENT SUMMARY

Investment	Recommendation	Investment Amount	Interest Rate	Issue Date	Maturity Date
FL Community Bank CD	ROLL OVER	\$247,500	1.00%	2/25/2016	2/25/2017
Centennial Bank CD		\$247,500	0.20%	7/19/2016	7/19/2017
TD Bank CD		\$247,500	0.37%	8/8/2016	8/8/2017
Stonegate Bank CD		\$247,500	0.40%	8/8/2016	8/8/2017
Landmark Bank CD		\$247,500	1.01%	8/15/2016	11/15/2017
Bank United CD		\$247,500	1.10%	9/30/2016	11/30/2017
PNC Bank CD		\$247,500	0.40%	1/24/2017	2/24/2018
TOTAL OF INVESTMENTS		\$1,732,500			

Feb-17	Jul-17	Aug-17	Nov-17	Feb-18
\$247,500	\$247,500	\$495,000	\$495,000	\$247,500

DOUGLAS R. BELL
ATTORNEY AT LAW
CUMBERLAND BUILDING, SUITE 505
800 E BROWARD BOULEVARD
FORT LAUDERDALE, FLORIDA 33301
(954) 524-8526

February 14, 2017

South Broward Drainage District
6591 Southwest 160th Avenue
Southwest Ranches, Florida 33331

I N V O I C E

Legal services rendered on behalf of South Broward Drainage District from January 19, 2016 through February 13, 2017:

1. Coordination regarding Public Records Request:
Attorney's Fees: 2 hrs. 25 min. @ \$250.00/hr. = \$ 604.17

2. Coordination regarding Surplus Property (Land) Policy:
Attorney's Fees: 40 minutes @ \$250.00/hr. = \$ 166.67

3. Coordination regarding Unclaimed Property (cash bonds):
Attorney's Fees: 7 hrs. 25 min. @ \$250.00/hr. = \$ 1,854.17
Paralegal Fees: 2 hrs. 20 min. @ \$100.00/hr. = \$ 233.33
\$ 2,087.50

4. Coordination regarding District Financial Statement for Fiscal Year 2015/16:
Attorney's Fees: 25 minutes @ \$250.00/hr. = \$ 104.17

TOTAL DUE THIS INVOICE: \$ 2,962.51