LAKE BELT MITIGATION COMMITTEE

ANNUAL REPORT FOR 2006

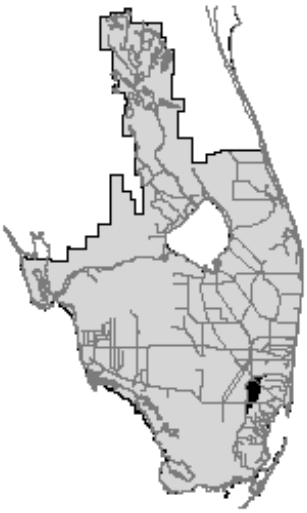
Submitted to the

GOVERNING BOARD

of the

SOUTH FLORIDA WATER MANAGEMENT DISTRICT

In Accordance with Section 373.41492(9)(a), Florida Statutes



Lake Belt Mitigation Committee
2006 Annual Report
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I. Background

In 1999, the Florida Legislature established a mitigation fee on each ton of lime rock and sand sold from the Miami-Dade County Lake Belt Area. The purpose of this fee is to provide for the mitigation of wetland resources lost to mining activities within this area.

The Legislature found that the impact of rock mining could best be offset by the implementation of a comprehensive mitigation plan, as recommended in the 1998 Progress Report to the Florida Legislature by the Miami-Dade County Lake Belt Plan Implementation Committee. Legislation was adopted in s. 373.4149(1), Florida Statutes (F.S.), authorizing the mitigation fee and governing its use.

The mitigation fee became effective on October 1, 1999 at the initial rate of 5.0 cents for each ton of lime rock and sand sold. The fee applies to raw, processed, or manufactured limestone, cement, and concrete products. The mitigation fee is collected by the Florida Department of Revenue and deposited to a trust fund at the South Florida Water Management District (SFWMD). An interagency committee, referred to as the Lake Belt Mitigation Committee (Committee), must approve expenditures from the trust fund.

Section 373.41492(9)(a), F.S., states: "the interagency committee established in this section shall annually prepare and submit to the governing board of the South Florida Water Management District a report evaluating the mitigation costs and revenues generated by the mitigation fee."

Additional information on the Miami-Dade County Lake Belt Plan Implementation Committee, including copies of the Plan, Annual Progress Reports and Technical Reports, is available at the web site http://www.sfwmd.gov/org/pld/proj/lakebelt/index.html.

II. Legislative Guidance

The proceeds of the mitigation fee must be used to conduct mitigation activities to offset the loss of value and functions of wetlands resulting from mining activities. The fees must be used in a manner consistent with the recommendations contained in the reports submitted to the Legislature by the Miami-Dade County Lake Belt Plan Implementation Committee and adopted under s. 373.4149, F.S.

The Lake Belt Phase I Plan, submitted to the Legislature in February 1997, states: *"Mitigation for rock mining in the Lake Belt Area should occur within the Pennsuco wetlands, the Northwest Bird Drive Basin, or other areas in the Lake Belt Area or Dade County, including in mitigation banks, as determined appropriate by the permitting agencies."* (Page 21, "Northwest Dade County Freshwater Lake Belt Plan, Making a Whole, Not Just Holes", 1997).

Mitigation fees may be used for the purchase, enhancement, restoration, and management of wetlands and uplands, the purchase of mitigation acres from a permitted mitigation bank, and any structural modifications to the existing drainage system to enhance the hydrology of the Miami-Dade County Lake Belt Area. Funds may also be used to reimburse other funding sources, including the Save Our Rivers Land Acquisition Program, the Internal Improvement Trust Fund, SFWMD, and Miami-Dade County.

III. Committee Representation

The Lake Belt Mitigation Committee is authorized under s. 373.4149, F.S. Meetings are held on an as needed basis at locations determined by the committee. All meetings are open to the general public and are held under requirements of Chapter 286.011, F.S.

The Lake Belt Mitigation Committee consists of following members. At the Committee's discretion, additional members may be added to represent federal regulatory, environmental, and fish and wildlife agencies.

Voting Members:

Florida Department of Environmental Protection (DEP)
Janet Llewellyn (Committee Chair)
Howard Hayes, Alternate

South Florida Water Management District (SFWMD)
Terrie Bates (Committee Vice Chair)
Anita Bain, Alternate

Miami-Dade County Department of Environmental Resources Management (DERM)
Carlos Espinosa
Matt Davis, Alternate

Florida Fish and Wildlife Conservation Commission (FWCC)
Timothy King

U.S. Army Corps of Engineers (USACOE)
John Studt
Leah Oberlin, Alternate

U.S. Environmental Protection Agency (USEPA)
Veronica Fasselt
Ron Miedema, Alternate

U.S. Fish and Wildlife Service (USFWS)
Spencer Simon

Non-Voting Member:

Rock Mining Coalition
Jeff Rosenfeld
Bill Baker, Alternate

IV. Committee Administration

Accounting - The balance in the trust fund as of December 31, 2005 was $9,744,950. During 2006, $3,808,079 was transferred to the trust fund from the Florida Department of Revenue and $503,267 was earned as interest. During 2006, total transfers and approved expenditures from the Trust Fund were $6,149,804. On December 31, 2006, the available balance (including interest) in the rock miner's mitigation trust fund was $7,906,492. Appendix B shows the cash receipts and interest earned by the Lake Belt Trust Fund for the year ending 2006.

Appendix C shows the cash flow/expenditure summary developed for the Committee. The summary includes all expenditures/mitigation acres approved by the Committee from 2002 through 2006, as well as the cash flow summary.

Mitigation Fee – Fees collected are based upon costs estimated by the SFWMD staff for the acquisition, management, and perpetual maintenance of land in the Pennsuco. During 1999, an interagency team of economists calculated the rate of the fee and determined the most appropriate method for annually adjusting the fee. This approach was codified in statute.

Beginning January 1, 2001 and each January 1st thereafter, the per-ton mitigation fee is increased by 2.1 percent, plus a cost growth index specified in the statute. Below is a listing of the annual mitigation fee calculated by the Florida Department of Revenue.

2001 ……. 5.33 cents per ton
2002 ……. 5.60 cents per ton
2003 ……. 5.80 cents per ton
2004 ……..…… 6.20 cents per ton
2005 ……. 6.60 cents per ton
2006 ……. 7.10 cents per ton

Starting January 1, 2007, the mitigation fee increased to 12 cents per ton as approved by the Legislature in 2006. Per the updated statute, the fee will increase to 18 cents per ton in 2008 and 24 cents per ton in 2009. The updated statute is included in Appendix A and the updated cash flow /expenditure projections with the adjusted fee are included in Appendix D. The projections anticipate that the fee adjustment will double the level of funding available for mitigation projects during the initial 10-year Lake Belt permit period from $33.9 million to approximately $65 million.

Table 1. Summary - Lake Belt Mitigation Trust Fund Cash Receipts

Calendar Year	Rock Mining Mitigation Fees	Interest Earned	Total Fees & Interest
2000 *	$2,386,463	$ 78,162	$2,464,625
2001	$2,227,895	$167,611	$2,395,506
2002	$2,436,950	$174,384	$2,611,334
2003	$2,761,957	$205,836	$2,967,793
2004	$3,109,122	$113,906	$3,223,028
2005	$3,344,281	$218,668	$3,562,949
2006	$3,808,079	$503,267	$4,311,346
TOTAL	$20,074,747	$1,461,834	$21,536,581

*Includes fees from mining as of Oct. 1, 1999. Initial receipt from Florida Department of Revenue to the SFWMD was in January 2000.

Expenditures & Transfers – Total expenditures approved in 2006 from the Lake Belt Mitigation Trust Fund were $6,149,804. In June 2006, the Committee authorized reimbursing $3,785,199 to SFWMD for 50% of the current enhancement/long-term management encumbrance balance. In December 2006, the Committee authorized an expenditure of $2,242,253 for the acquisition, enhancement, and long-term management of 131.7 Pennsuco acres acquired by SFWMD in 2005. This represents the remaining mitigation acres available from a 180-acre parcel, after contributions from Miami-Dade DERM and the Developer trust fund. In December 2006, the Committee also authorized an expenditure of $120,270 for the acquisition, enhancement, and long-term management of 10 Pennsuco acres under contract to SFWMD. The 2006 expenditures also include a $2,082 expenditure for administrative costs associated with the operation of the Lake Belt Mitigation Committee.

As shown in Appendix C, the remaining encumbrance to SFWMD for Pennsuco enhancement/long-term management is currently $3,785,199. Pursuant to an understanding between the Committee and SFWMD, funds will be transferred from the Lake Belt Trust Fund (upon SFWMD's request) to pay for the enhancement/long-term management costs. The total encumbrance to the Division of State Lands is $3,209,000 and it is anticipated that reimbursement will occur in 2007. These encumbrances are being maintained within the Trust Fund, in order to have funds readily available for potential land acquisition/enhancement activities.

V. Committee Mitigation Activities

Committee Activities – In 2006, Committee activities included:

1. Approved a total of 141.7 mitigation acres for the acquisition, enhancement, and long-term management of Pennsuco land acquired by the SFWMD.

2. Requested that SFWMD reinitiate an aggressive willing seller program by contacting all remaining private land owners in the Pennsuco. The SFWMD sent letters to 80 private land owners in 2006 and plans to contact all remaining owners in 2007.

3. Began an evaluation of alternative mitigation options in coordination with the Supplemental Environmental Impact Statement being prepared by the Corps of Engineers. The SFWMD identified potential mitigation opportunities in the 8.5 Square Mile Area and the L-31N Transition Lands, as well as smaller projects in the Southern Glades area.

Mitigation Summary - Summaries of annual expenditures / mitigation acres approved by the Committee for 2002-2006 are included in Appendix C. The Committee has approved a total of 2,765.4 mitigation acres, which has resulted in the acquisition, enhancement, and long-term management of 1,078.2 acres in Pennsuco and the enhancement and long-term management of an additional 3,375.4 acres in Pennsuco.

Table 2. Lake Belt Mitigation Activities

Calendar Year	Pennsuco Acquisition, Enhancement, & Long-Term Management (Acres)	Pennsuco Enhancement, & Long-Term Management (Acres)[1]	Other (Acres)	Committee Approved Mitigation Acres
2002	455.6	1,240.6		1,075.9
2003	0	2,134.8		1,067.4
2004	160.0	0	-0.5[2]	159.5
2005	320.9	0		320.9
2006	141.7			141.7
TOTAL	1,078.2	3,375.4	-0.5	2,765.4

[1] The number of mitigation acres credited for enhancement / long-term management in 2002-2003 was equal to one-half the number credited for land acquisition, enhancement, and long-term management (per Committee decision).
[2] Mitigation for wetland impacts from monitoring well access construction required under the Lake Belt permits.

The Mining Industry submits an Annual Report to the U.S. Army Corps of Engineers, Florida Department of Environmental Protection, and Miami-Dade County Department of Environmental Resources Management to document the changes in mining and wetland acreages, and summarize the ecological balance between the wetland impacts and wetland mitigation funded through the Lake Belt Mitigation Committee. This information is summarized below in Table 3.

Pursuant to s. 373.41492(7), F.S., the mitigation fee established by the Legislature "satisfies the mitigation requirements imposed under ss. 373.403-373.439 and any applicable county ordinance for loss of the value and functions from mining of the wetlands identified as rock mining supported and allowable areas of the Miami-Dade County Lake Plan adopted by s. 373.4149(1)." The mitigation fee calculation was based on many factors (estimated mining rates, values and functions of wetlands in the mining area and Pennsuco, land acquisition and restoration costs), and included the assumption that an estimated ratio of 2.5 mitigation acres : impact acres was needed to offset the loss of the values and functions of wetlands impacted in mining areas that did not have existing permits prior to the issuance of the Lake Belt permits (which started in 2002). The wetland impact and offsetting mitigation information for the State and County permits are summarized below in Table 3 and show a large positive mitigation acreage balance due to the expedited mitigation being implemented by the Mitigation Committee. Through expedited mitigation, the Committee has been attempting to spend the mitigation fee on mitigation projects in the same year that the fee is collected, rather than at the slower rate anticipated in the original permit tables.

Table 3. Lake Belt Mitigation/Mining Summary

Calendar Year	Committee Approved Mitigation Acres	Lake Belt Wetland Impacts In New Permit Areas (Acres)	Mitigation Needed to Offset Wetland Impacts (Acres)[1]	Annual Balance (Acres)
2002	1,075.9	34	85.0	990.9
2003	1,067.4	135	337.5	729.9
2004	159.5	87	217.5	-58.0
2005	320.9	87	217.5	103.4
2006	141.7	Not yet available		
TOTAL	2,765.4	343	857.5	1,766.2

[1] Assumes 2.5 ratio utilized in calculation of Lake Belt mitigation fee

The U.S. Army Corps of Engineers Lake Belt permits included a different methodology for calculating mitigation requirements. The ecological balance between the wetland mitigation and wetland impacts was calculated using the ecological value and present worth factors in Table E of the Corps' permits. The ecological units at the end of the 2006 Annual Report reporting period were essentially balanced (through March 2006 - mitigation: 543 present worth ecological units / wetland impacts: 545 present worth ecological units). By comparison, the estimated ecological balance in Table E for the same period was negative 351.6 present worth ecological units. Due to the expedited mitigation being implemented by the Mitigation Committee, the ecological balance at the end of 2006 Annual Report reporting period is almost 350 present worth ecological units better than the estimates in the permit tables.

VI. Appendices

APPENDIX A – Florida Statutes

373.41492. Miami-Dade County Lake Belt Mitigation Plan; mitigation for mining activities within the Miami-Dade County Lake Belt.

(1) The Legislature finds that the impact of mining within the rock mining supported and allowable areas of the Miami-Dade County Lake Plan adopted by s. 373.4149(1) can best be offset by the implementation of a comprehensive mitigation plan as recommended in the 1998 Progress Report to the Florida Legislature by the Miami-Dade County Lake Belt Plan Implementation Committee. The Lake Belt Mitigation Plan consists of those provisions contained in subsections (2)-(9). The per-ton mitigation fee assessed on limestone sold from the Miami-Dade County Lake Belt Area and sections 10, 11, 13, 14, Township 52 South, Range 39 East, and sections 24, 25, 35, and 36, Township 53 South, Range 39 East, shall be used for acquiring environmentally sensitive lands and for restoration, maintenance, and other environmental purposes. It is the intent of the Legislature that the per-ton mitigation fee shall not be a revenue source for purposes other than enumerated herein. Further, the Legislature finds that the public benefit of a sustainable supply of limestone construction materials for public and private projects requires a coordinated approach to permitting activities on wetlands within Miami-Dade County in order to provide the certainty necessary to encourage substantial and continued investment in the limestone processing plant and equipment required to efficiently extract the limestone resource. It is the intent of the Legislature that the Lake Belt Mitigation Plan satisfy all local, state, and federal requirements for mining activity within the rock mining supported and allowable areas.

(2) To provide for the mitigation of wetland resources lost to mining activities within the Miami-Dade County Lake Belt Plan, effective October 1, 1999, a mitigation fee is imposed on each ton of limerock and sand extracted by any person who engages in the business of extracting limerock or sand from within the Miami-Dade County Lake Belt Area and the east one-half of sections 24 and 25 and all of sections 35 and 36, Township 53 South, Range 39 East. The mitigation fee is imposed for each ton of limerock and sand sold from within the properties where the fee applies in raw, processed, or manufactured form, including, but not limited to, sized aggregate, asphalt, cement, concrete, and other limerock and concrete products. The mitigation fee imposed by this subsection for each ton of limerock and sand sold shall be 12 cents per ton beginning January 1, 2007; 18 cents per ton beginning January 1, 2008; and 24 cents per ton beginning January 1, 2009. To upgrade a water treatment plant that treats water coming from the Northwest Wellfield in Miami-Dade County, a water treatment plant upgrade fee is imposed within the same Lake Belt Area subject to the mitigation fee and upon the same kind of mined limerock and sand subject to the mitigation fee. The water treatment plant upgrade fee imposed by this subsection for each ton of limerock and sand sold shall be 15 cents per ton beginning on January 1, 2007, and the collection of this fee shall cease once the total amount of proceeds collected for this fee reaches the amount of the actual moneys necessary to design and construct the water treatment plant upgrade, as determined in an open, public solicitation

process. Any limerock or sand that is used within the mine from which the limerock or sand is extracted is exempt from the fees. The amount of the mitigation fee and the water treatment plant upgrade fee imposed under this section must be stated separately on the invoice provided to the purchaser of the limerock or sand product from the limerock or sand miner, or its subsidiary or affiliate, for which the fee or fees apply. The limerock or sand miner, or its subsidiary or affiliate, who sells the limerock or sand product shall collect the mitigation fee and the water treatment plant upgrade fee and forward the proceeds of the fees to the Department of Revenue on or before the 20th day of the month following the calendar month in which the sale occurs.

(3) The mitigation fee and the water treatment plant upgrade fee imposed by this section must be reported to the Department of Revenue. Payment of the mitigation and the water treatment plant upgrade fees must be accompanied by a form prescribed by the Department of Revenue. The proceeds of the mitigation fee, less administrative costs, must be transferred by the Department of Revenue to the South Florida Water Management District and deposited into the Lake Belt Mitigation Trust Fund. The proceeds of the treatment plant upgrade fee, less administrative costs, must be transferred by the Department of Revenue to a trust fund established by Miami-Dade County, for the sole purpose authorized by paragraph (6)(a). As used in this section, the term "proceeds of the fee" means all funds collected and received by the Department of Revenue under this section, including interest and penalties on delinquent fees. The amount deducted for administrative costs may not exceed 3 percent of the total revenues collected under this section and may equal only those administrative costs reasonably attributable to the fees.

(4)(a) The Department of Revenue shall administer, collect, and enforce the mitigation and treatment plant upgrade fees authorized under this section in accordance with the procedures used to administer, collect, and enforce the general sales tax imposed under chapter 212. The provisions of chapter 212 with respect to the authority of the Department of Revenue to audit and make assessments, the keeping of books and records, and the interest and penalties imposed on delinquent fees apply to this section. The fees may not be included in computing estimated taxes under s. 212.11, and the dealer's credit for collecting taxes or fees provided for in s. 212.12 does not apply to the fees imposed by this section.

(b) In administering this section, the Department of Revenue may employ persons and incur expenses for which funds are appropriated by the Legislature. The Department of Revenue shall adopt rules and prescribe and publish forms necessary to administer this section. The Department of Revenue shall establish audit procedures and may assess delinquent fees.

(5) Beginning January 1, 2010, and each January 1 thereafter, the per-ton mitigation fee shall be increased by 2.1 percentage points, plus a cost growth index. The cost growth index shall be the percentage change in the weighted average of the Employment Cost Index for All Civilian Workers (ecu 10001I), issued by the United States Department of Labor for the most recent 12-month period ending on September 30, and the percentage change in the Producer Price Index for All Commodities (WPU 00000000), issued by the

United States Department of Labor for the most recent 12-month period ending on September 30, compared to the weighted average of these indices for the previous year. The weighted average shall be calculated as 0.6 times the percentage change in the Employment Cost Index for All Civilian Workers (ecu 10001I), plus 0.4 times the percentage change in the Producer Price Index for All Commodities (WPU 00000000). If either index is discontinued, it shall be replaced by its successor index, as identified by the United States Department of Labor.

(6)(a) The proceeds of the mitigation fee must be used to conduct mitigation activities that are appropriate to offset the loss of the value and functions of wetlands as a result of mining activities and must be used in a manner consistent with the recommendations contained in the reports submitted to the Legislature by the Miami-Dade County Lake Belt Plan Implementation Committee and adopted under s. 373.4149. Such mitigation may include the purchase, enhancement, restoration, and management of wetlands and uplands, the purchase of mitigation credit from a permitted mitigation bank, and any structural modifications to the existing drainage system to enhance the hydrology of the Miami-Dade County Lake Belt Area. Funds may also be used to reimburse other funding sources, including the Save Our Rivers Land Acquisition Program, the Internal Improvement Trust Fund, the South Florida Water Management District, and Miami-Dade County, for the purchase of lands that were acquired in areas appropriate for mitigation due to rock mining and to reimburse governmental agencies that exchanged land under s. 373.4149 for mitigation due to rock mining. The proceeds of the water treatment plant upgrade fee shall be used solely to upgrade a water treatment plant that treats water coming from the Northwest Wellfield in Miami-Dade County. As used in this section, the terms "upgrade a water treatment plant" or "treatment plant upgrade" means those works necessary to treat or filter a surface water source or supply or both.

(b) Expenditures of the mitigation fee must be approved by an interagency committee consisting of representatives from each of the following: the Miami-Dade County Department of Environmental Resource Management, the Department of Environmental Protection, the South Florida Water Management District, and the Fish and Wildlife Conservation Commission. In addition, the limerock mining industry shall select a representative to serve as a nonvoting member of the interagency committee. At the discretion of the committee, additional members may be added to represent federal regulatory, environmental, and fish and wildlife agencies.

(7) Payment of the mitigation fee imposed by this section satisfies the mitigation requirements imposed under ss. 373.403-373.439 and any applicable county ordinance for loss of the value and functions from mining of the wetlands identified as rock mining supported and allowable areas of the Miami-Dade County Lake Plan adopted by s. 373.4149(1). In addition, it is the intent of the Legislature that the payment of the mitigation fee imposed by this section satisfy all federal mitigation requirements for the wetlands mined.

(8) If a general permit by the United States Army Corps of Engineers, or an appropriate long-term permit for mining, consistent with the Miami-Dade County Lake Belt Plan, this

section, and ss. 373.4149, 373.4415, and 378.4115 is not issued on or before September 30, 2000, the fee imposed by this section is suspended until revived by the Legislature.

(9)(a) The interagency committee established in this section shall annually prepare and submit to the governing board of the South Florida Water Management District a report evaluating the mitigation costs and revenues generated by the mitigation fee.

(b) No sooner than January 31, 2010, and no more frequently than every 5 years thereafter, the interagency committee shall submit to the Legislature a report recommending any needed adjustments to the mitigation fee to ensure that the revenue generated reflects the actual costs of the mitigation.
History.--s. 2, ch. 99-298; s. 23, ch. 2000-197; s. 2, ch. 2006-13.

373.41495 Lake Belt Mitigation Trust Fund; bonds.--

(1) The Lake Belt Mitigation Trust Fund is hereby created, to be administered by the South Florida Water Management District. Funds shall be credited to the trust fund as provided in s. 373.41492, to be used for the purposes set forth therein.

(2) The South Florida Water Management District may issue revenue bonds pursuant to s. 373.584, payable from revenues from the Lake Belt Mitigation fee imposed under s. 373.41492.

(3) Net proceeds from the Lake Belt Mitigation fee and any revenue bonds issued under subsection (2) shall be deposited into the trust fund and, together with any interest earned on such moneys, shall be applied to Lake Belt mitigation projects as provided in s. 373.41492.

(4) The Lake Belt Mitigation Trust Fund is a trust fund as described in s. 19(f)(3), Art. III of the State Constitution, and therefore is not subject to termination pursuant to s. 19(f)(2), Art. III of the State Constitution.
History.--ss. 1, 2, 3, 4, ch. 98-260; s. 1, ch. 99-297.

APPENDIX B - Cash Basis Fund Statement
(See Attachment)

APPENDIX C – Cash Flow / Expenditure Summary
(See Attachment)

APPENDIX D – Cash Flow / Expenditure Projections with the Fee Adjustment
(See Attachment)

APPENDIX B

Lake Belt Mitigation Trust Fund
Cash Basis Financial Statements
Year Ending December 31, 2006

	Received from the Florida Dept of Revenue	Interest Earned	Total Fees Plus Earnings	Transfer Out & Expenditures	Total Cash Balance
Year 2000					
January	$ 276,674	$ 181	$ 276,855		$ 276,855
February	247,990	1,474	249,464		526,319
March	167,699	3,037	170,736		697,055
April	159,867	3,813	163,680		860,735
May	195,853	4,898	200,751		1,061,486
June	168,562	5,929	174,491		1,235,977
July	263,244	7,373	270,617		1,506,594
August	*	8,598	8,598		1,515,192
September	302,087	9,359	311,446		1,826,638
October	257,732	9,484	267,216		2,093,854
November	173,573	10,297	183,870		2,277,724
December	173,182	13,719	186,901		2,464,625
	2,386,463	78,162	2,464,625		
Year 2001					
January	108,739	12,855	121,594		2,586,219
February	92,523	11,240	103,763		2,689,982
March	214,087	13,438	227,525		2,917,507
April	212,656	12,335	224,991		3,142,498
May	170,744	13,272	184,016		3,326,514
June	224,087	9,705	233,792		3,560,306
July	*	12,920	12,920		3,573,226
August (A)	389,503	42,457	431,960		4,005,186
September	205,108	11,438	216,546		4,221,732
October	220,698	9,935	230,633		4,452,365
November	168,616	8,946	177,562		4,629,927
December	221,134	9,070	230,204		4,860,131
	2,227,895	167,611	2,395,506		
Year 2002					
January	181,259	10,337	191,596		5,051,727
February	182,742	8,154	190,896		5,242,623
March	219,362	9,560	228,922		5,471,545
April	144,300	9,603	153,903		5,625,448
May	230,099	10,586	240,685		5,866,133
June	271,439	10,659	282,098		6,148,231
July	253,744	11,018	264,762		6,412,993
August	194,939	16,488	211,427		6,624,420
September (B)	200,472	34,012	234,484		6,858,904
October	212,938	18,444	231,382		7,090,286
November	210,808	17,529	228,337		7,318,623
December	134,848	17,994	152,842		7,471,465
	2,436,950	174,384	2,611,334		
Year 2003					
January	208,027	15,230	223,257		7,694,722
February	197,666	19,394	217,060		7,911,782
March	215,031	19,672	234,703		8,146,485
April	228,112	21,209	249,321		8,395,806
May	300,353	22,857	323,210		8,719,016
June	226,880	26,658	253,538	(129,464)	8,843,090
July	163,946	16,893	180,839		9,023,929
August	321,454	24,782	346,236		9,370,165
September (C)	184,487	(10,863)	173,624		9,543,789
October	296,066	24,144	320,210		9,863,999
November	182,957	16,452	199,409	(6,478,513)	3,584,895
December	236,978	9,408	246,386		3,831,281
	2,761,957	205,836	2,967,793	(6,607,977)	

APPENDIX B

Lake Belt Mitigation Trust Fund
Cash Basis Financial Statements
Year Ending December 31, 2006

	Received from the Florida Dept of Revenue	Interest Earned	Total Fees Plus Earnings	Transfer Out & Expenditures	Total Cash Balance
Year 2004					
January	292,639	10,508	303,147		4,134,428
February	78,564	9,696	88,260		4,222,688
March	265,877	11,437	277,314		4,500,002
April	306,964	11,853	318,817		4,818,819
May	382,166	13,252	395,418	(807)	5,213,430
June	266,424	13,512	279,936		5,493,366
July	246,484	14,625	261,109		5,754,475
August	271,917	15,355	287,272		6,041,747
September	262,439	15,545	277,984		6,319,731
Adjustment (D)	-	(53,146)	(53,146)		6,266,585
October (E)	277,685	16,674	294,359	(864,000)	5,696,944
November	200,441	16,672	217,113	(1,317)	5,912,740
December	257,522	17,923	275,445		6,188,185
	3,109,122	113,906	3,223,028	(866,124)	
Year 2005					
January	259,847	18,250	278,097		6,466,282
February	263,054	17,196	280,250	(3,995)	6,742,537
March	273,444	25,625	299,069		7,041,606
April	291,662	15,572	307,234		7,348,840
May	289,773	27,072	316,845		7,665,685
June	337,017	25,231	362,248		8,027,933
Adjustment (D)		(67,661)	(67,661)		7,960,272
July	287,218	24,592	311,810		8,272,082
August	284,984	27,975	312,959		8,585,041
September	279,133	32,050	311,183	(893)	8,895,331
Adjustment (D)		(34,402)	(34,402)		8,860,929
October	291,581	31,045	322,626		9,183,555
November	258,339	32,936	291,275	(1,296)	9,473,534
December	228,229	43,187	271,416		9,744,950
	3,344,281	218,668	3,562,949	(6,184)	
Year 2006					
Adjustment (D)		(44,413)	(44,413)		9,700,537
January	253,031	60,768	313,799		10,014,336
February	297,359	15,098	312,457		10,326,793
March	314,301	35,521	349,822		10,676,615
Adjustment (D)		(34,333)	(34,333)		10,642,282
April	310,279	41,802	352,081	(1,105)	10,993,258
May	344,944		344,944		11,338,202
June (E)	341,412	110,696	452,108	(3,785,199)	8,005,111
Adjustment (D)		(25,449)	(25,449)		7,979,662
July	342,536	43,130	385,666		8,365,328
August	336,125	42,040	378,165		8,743,493
September	290,928	36,078	327,006		9,070,499
Adjustment (D)		40,976	40,976		9,111,475
October	333,653	58,000	391,653	(977)	9,502,151
November	311,616	63,032	374,648		9,876,799
December (E)	331,895	60,321	392,216	(2,362,523)	7,906,492
	3,808,079	503,267	4,311,346	(6,149,804)	
TOTAL	$ 20,074,747	$ 1,461,834	$ 21,536,581	$ (13,630,089)	

* Payment for two months received in the next month.
(A) Includes monthly interest allocation of $12,421 plus fair value adjustment (gain) of $30,036
(B) Includes monthly interest allocation of $13,463 plus fair value adjustment (gain) of $20,549
(C) Includes monthly interest allocation of $22,218 less fair value adjustment (loss) of $33,081
(D) Represents Market Value Adjustments (paper loss).
(E) Expenditure approved by Committee, but it has not yet been transferred out of Trust Fund by SFWMD.

APPENDIX C

Cash Flow / Expenditure Summary

Cash Flow / Expenditures Through 2006

Year	Permit Table Estimated Mitigation Fee Collections	Estimated Mitigation Fee Running Total	Department of Revenue Mitigation Fee Deposits[1]	Actual Mitigation Fee Running Total	Interest	Cash Flow Running Total [1]	Expenditures	End of Year Balance	Encumbrances	Mitigation Acres
1999	487,813	487,813	*	0	*	0	0	0		
2000	1,950,000	2,437,813	2,386,463	2,386,463	78,162	2,464,625	0	2,464,625		
2001	2,181,684	4,619,497	2,227,895	4,614,358	167,611	4,860,131	0	4,860,131		
2002	2,297,314	6,916,811	2,436,950	7,051,308	174,384	7,471,465	6,607,977	863,488		1075.9
2003	2,419,071	9,335,882	2,761,957	9,813,265	205,836	10,439,258	0	3,831,281	6,555,971	1067.4
2004	2,547,282	11,883,164	3,109,122	12,922,387	113,906	13,662,286	866,124	6,188,185	491,360	159.5
2005	2,682,288	14,565,452	3,344,281	16,266,668	218,668	17,225,235	6,184	9,744,950	3,732,067	320.9
2006	2,824,449	17,389,901	3,808,079	20,074,747	503,267	21,536,581	6,149,804	7,906,492	-3,785,199	141.7
		TOTAL	**$20,074,747**		**$1,461,834**		**$13,630,089**		**$6,994,199**	**2,765.4**

[1] Fee deposits in the SFWMD Trust Fund at the end of calendar year do not reflect Department of Revenue fee collections during December of each year.
Therefore, the annual totals reflect Department of Revenue fee collections from the previous December through November.
* 1999 & 2000 combined

Encumbrance Balances

SFWMD

1. Enhancement / Long-term Management Costs to be Reimbursed to SFWMD for areas in Pennsuco under treatment
   Committee Motion - November 2003
   1067.4 acres[1] x $6,142 /acre = $6,555,971

2. Enhancement / Long-term Management Costs to be Reimbursed to SFWMD for former Florida Rock Industries property
   Committee Motion - October 2004
   160 acres x $3,071 /acre = $491,360

3. Enhancement / Long-term Management Costs to be Reimbursed to SFWMD for former Tarmac property
   Committee Motion - September 2005
   320.9 acres x $1,630 /acre = $523,067

4. Reimburse SFWMD for 50% of Encumbrance Balance
   Committee Motion - September 2005 -$3,785,199

Current Balance = $3,785,199

[1] The number of mitigation acres credited for enhancement / long-term management in 2002-2003 was equal to one-half the number credited for land acquisition, enhancement, and long-term management (per Committee decision).
Therefore, the cost per mitigation acre used in 2003 was equal to 2 times the actual cost of $3071/acre.

Division of State Lands

1. Acquisition Costs to be Reimbursed to Division of State Lands for former Tarmac property
   Committee Motion - September 2005
   320.9 acres x $10,000 /acre = $3,209,000

Current Balance = $3,209,000

Total Encumbrance = $6,994,199

Summary of 2006 Expenditures/Mitigation Acres Approved by Committee

1. Reimburse SFWMD for 50% of Encumbrance Balance
Committee Motion - September 2006 **$3,785,199**

2. SFWMD - April 2005 land acquisition plus enhancement and long-term management
Committee Motion - December 2006

131.7 acres	$17,027 / acre	**$2,242,253**

(180-acre parcel - total cost at $17,027/acre = $3,064,860 less DERM ($730,000) and Developer Fund ($92,607) contributions)

3. SFWMD - November 2006 contract plus enhancement and long-term management
Committee Motion - December 2006

10.0 acres	$12,027 / acre	**$120,270**

4. Mitigation Committee Administrative Expenses **$2,082**

TOTAL **141.7** acres **$6,149,804**

Summary of 2005 Expenditures/Mitigation Acres Approved by Committee

Former Tarmac property - land acquisition, enhancement, and long-term management

320.9 acres

TOTAL **320.9** acres

Acquisition Costs to be reimbursed to Division of State Lands for former Tarmac property

$3,209,000 320.9 acres * $10,000/acre

Enhancement / Long-term Management Costs to be Reimbursed to SFWMD for former Tarmac property

$523,067 320.9 acres * $1630/acre

APPENDIX D

Cash Flow/Expenditure Projections from Original Permit Table with Expedited Mitigation, Land Cost of $13,000/acre in 2006, and Fee Adjustments in 2007/2008/2009

	Mitigation Fee Plan **(Permit Table A)**			***Actual*** **(1999-2004)**		***Expedited Mitigation and Updated Land Costs and Fee***		
Year	Mining New Permits	Mitigation Acres Owed	Total Fee expected	Mitigation Acres Owed	Total Fee expected	Mitigation Acres Obtained	Cost to Restore $/Acre	Total Spent on Mitigation
1999-2001			4,619,497		**4,614,358**			
2002	65.5	163.8	2,297,314	**85.0**	**2,436,950**	**1075.9**	**6,142**	6,607,977
2003	70.5	176.3	2,419,071	**337.5**	**2,761,957**	**1067.4**	**6,142**	6,555,971
2004	75.5	188.8	2,547,282	**207.5**	**3,109,122**	**160.0**	**8,471**	1,355,360
2005	105.5	263.8	2,682,288	263.8	2,682,288	**320.9**	**11,630**	3,732,067
2006	105.5	263.8	2,824,449	263.8	2,824,449	188.0	15,027	2,824,449
2007	105.5	263.8	2,974,145	263.8	2,974,145	315.1	15,778	4,972,500
2008	105.5	263.8	3,131,775	263.8	3,131,775	450.2	16,567	7,458,750
2009	105.5	263.8	3,297,759	263.8	3,297,759	571.7	17,396	9,945,000
2010	116.5	291.3	3,472,540	291.3	3,472,540	573.3	18,265	10,472,085
2011	124.5	311.3	3,656,585	311.3	3,656,585	575.0	19,179	11,027,106
Total	980	2,450	$33,922,704	2,551	$34,961,928	5,297		$64,951,265

Actual 1999-2005 fee collections and mitigation owed, costs, and acreage (in bold).

Updated land costs - assumed $13,000/acre land cost in 2006 + $2027 acquisition/restoration/management costs with 5% annual increase.

Mitigation fee adjustments to $0.12/.18/.24 in 2007/2008/2009, with 5.3% increases annually thereafter.