

APPROVED

MINUTES OF THE MEETING

FIRST PUBLIC BUDGET HEARING FOR THE TENTATIVE FISCAL YEAR 2010 ANNUAL SERVICE BUDGET

GOVERNING BOARD SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

TAMPA, FLORIDA

SEPTEMBER 15, 2009

The Governing Board of the Southwest Florida Water Management District met at 5:01 p.m. on September 15, 2009, at the Tampa Service Office. The following persons were present:

Board Members Present

Todd Pressman, Chair
Ronald E. Oakley, Vice Chair
Hugh M. Gramling, Secretary
Sallie Parks, Treasurer
Jennifer E. Closshey, Member
Martiza Rovira-Forino, Member
H. Paul Senft, Member

Board Members Teleconferencing

Neil Combee, Member
Carlos Beruff, Member
Bryan K. Beswick, Member
Albert G. Joerger, Member
Douglas B. Tharp, Member
Judith C. Whitehead, Member

Staff Members Present

Eugene A. Schiller, Deputy Executive Director
Lou Kavouras, Deputy Executive Director
Richard S. Owen, Deputy Executive Director
Bruce C. Wirth, Deputy Executive Director
Karen A. West, Deputy General Counsel
Daryl F. Pokrana, Director, Finance Dept.
Linda R. Pilcher, Assistant Director, Finance Dept.
Cathy A. Linsbeck, Senior Budget Analyst, Finance
Eloise M. Buzbee, Senior Budget Analyst, Finance
Alan Lynch, Senior Budget Analyst, Finance

Recorded by

Randy Emberg, Video Production Spec. Supervisor
Joyce Morra, Administrative Coordinator, Finance

A list of others present who signed the attendance roster is filed in the permanent files of the District. This meeting was conducted using communications media technology in order to permit maximum participation of Governing Board members. This meeting was broadcast to the District service offices for viewing only.

1. Call to Order

Chair Pressman called the meeting, and said it is time to proceed with the public hearing as scheduled and properly noticed for this date and time. Public comment will only be accepted here at the Tampa Service Office; however, there are numerous opportunities for the public to provide comment via correspondence, facsimile and electronic mail prior to the Board's final hearing on September 29, 2009, at 5:01 p.m., at the Tampa Service Office.

Ms. Kavouras called the roll noting which Board members were present or teleconferencing (see above). A quorum was present with seven members participating in person.

Chair Pressman then led the Pledge of Allegiance to the Flag of the United States of America.

2. Open Public Hearing

Chair Pressman said this hearing is for the purpose of adopting tentative millage rates and budgets for the District and Basins comprising the Southwest Florida Water Management District, pursuant to Sections 373.536 and 200.065, Florida Statutes, as amended. If any member of the public would like to speak during this hearing, please fill out a blue card located

at the desk outside the door and give the card to Ms. Kavouras who is seated at the tables in front of the dais. Members of the public will be called on at the appropriate time during the meeting and will be limited to three minutes per speaker.

Chair Pressman introduced Ms. Parks, Chair of the Finance and Administration Committee, and relinquished the gavel to her. (CD 1/Track 1 – 00:00/03:26)

Ms. Parks said the purpose of this first TRIM public hearing is to provide an opportunity for the public to speak and ask questions prior to the adoption of tentative millage rates and budgets for the District. A second public hearing will be held at this same location on September 29, prior to adoption of the final millage rates and budgets. This budget is the culmination of months of Board and staff development—over 50 public meetings were held this fiscal year. The budget development process began back in the fall when the Basins held their annual planning workshops, and the Governing Board approved the Budget Priorities and Assumptions. The process will end with the adoption of a final budget by this Board at the second public hearing.

Ms. Parks said the District's combined Fiscal Year (FY) 2010 budget is \$298.9 million, a decrease of \$77.6 million (which is a 20.6 percent reduction) from the current year budget of \$376.5 million. For the third year in a row, the budget had to be developed during difficult times. In FY2008, tax reform legislation was enacted by the Florida Legislature followed by the passage of Constitutional Amendment 1 by Florida voters in January 2008, which increased property tax exemptions. These two changes, combined with the continued decline of property values, have made the development of this year's budget a challenge. But even with these difficult times, the District Boards have elected not to increase millage rates. In fact, the Pinellas-Anclote River Basin Board reduced its millage rate from 0.3600 to 0.3200. All proposed millage rates are well below the rolled-back rates.

Ms. Parks said that, earlier today, the Governing Board received a letter from Governor Charlie Crist approving the District's FY2010 budget. She noted that copies have been provided for each Board member and are available for the public, along with the hearing agenda and hearing books. In his letter, Governor Crist applauded the Board's efforts to hold property taxes constant for two years in a row, even though the result is a decrease to the budget. The Governor recognized the difficult and substantial cost cutting measures that were necessary to balance the FY2010 budget, while at the same time remaining committed to providing cost-share assistance to regional and local water supply utilities for reuse, conservation, and other options to relieve stressed ground water supply sources. The Governor also recognized the efforts by this District's staff to restore minimum flows and levels of impacted wetlands, lakes, rivers and streams, and aquifers resulting from historic groundwater withdrawals in the northern Tampa Bay and Southern Water Use Caution Areas. Governor Crist concluded his letter by expressing his appreciation for the District's success in managing the state's most critical water and natural resource issues, and with an approach which reflects a strong spirit of cooperation with stakeholder groups, as well as state, federal and local partners.

Ms. Parks, said, in summary, she believes the budget reflects the District's goal of providing cost-effective quality services while protecting and enhancing the public's water resources, and, at the same time, achieving the strategic priorities of the Governing and Basin Boards. She said the Governor's letter is a deeply thought out letter and profound. She thanked her colleagues on the Governing Board, as well as the Basin Board members, and staff for the special efforts required to develop the budget. She said staff has taken an enormous amount of time and effort to meet the needs and desires of the Board. (CD 1/Track 1 – 03:26/08:17)

3. Budget Overview

Mr. Schiller provided a brief overview of the budget. He said the public hearings budget hearing booklet shows the District's combined FY2010 budget of \$298.9 million, which is \$77.6 million or 20.6 percent below FY2009. This includes the Districtwide General Fund budget which is overseen by the Governing Board, and the seven separate Basin budgets, which are developed by the local Basin Boards. In August, the Basin Boards adopted their final millage rates and budgets, along with resolutions requesting the Governing Board levy ad valorem taxes at the adopted rates and include the Basin budgets as recommended as part of the District's final combined budget for FY2010.

As an update since the Board's last meeting, the Pinellas-Anclote River Basin and the Hillsborough River Basin Boards have adopted final millage rates and budgets for recommendation to this Board. A separate budget update was included in the Board members' information for this hearing. The Hillsborough River Basin Board adopted a millage rate of 0.2421 mill. The Basin's budget was lowered by \$58,000 to reflect an adjustment to the Balance Available from Prior Years. The Pinellas-Anclote River Basin Board adopted a millage rate of 0.3200, down from 0.3600 for FY2009. This resulted in lowered ad valorem revenue and a budget decrease of \$2.7 million. The millage rate reduction coincides with the funding completion for several major alternative water supply projects and reduced requests for cooperative funding. The adjustments are reflected in the budget being presented today.

Mr. Schiller said the FY2010 budget includes \$127.7 million (43 percent of budget) for the District's cost-share programs – the Water Supply and Resource Development (WSRD) and the Cooperative Funding programs; and \$62.4 million (21 percent of budget) the District plans to directly outsource to the private sector in FY2010. This planned direct outsourcing combined with the District's funding through the WSRD and Cooperative Funding programs, which is substantially outsourced by the District's public and private partners, will result in an estimated \$178.1 million or 60 percent of the budget outsourced to and directly benefiting private industry. District funds will be leveraged with an estimated match of \$119 million by cooperator partners.

Mr. Schiller said the District is staying the course within funding availability to carry out priorities. He said the District continues its "pay as you go" approach, and to operate without debt and with no increase in staffing. Additional information on the FY2010 budget was provided in the public budget hearings booklet. (CD 1/Track 1 – 08:17/15:15)

4. Public Announcement of the Name of the Taxing Authority, Rolled-Back Rates, Percentage Decreases, and Millage Rates to be Levied for FY2010

Ms. Pilcher presented the required public announcement of the name of the taxing authority, the rolled-back rates, the percentage of tax decrease below the rolled-back rates, and the millage rates to be levied for FY2010, and read into the record as required for the District and each of the seven Basins. The Governing Board serves as the Board for the Green Swamp Basin; therefore, there is no separate Basin millage for the Green Swamp Basin.

TAXING AUTHORITY	ROLLED-BACK RATE	PERCENTAGE OF TAX DECREASE BELOW ROLLED-BACK RATE	MILLAGE RATE
Districtwide	0.4443	-12.99	0.3866
Alafia River Basin	0.2519	-14.13	0.2163
Hillsborough River Basin	0.2885	-16.08	0.2421
Coastal Rivers Basin	0.2186	-13.77	0.1885
Pinellas-Anclote River Basin	0.4108	-22.10	0.3200
Withlacoochee River Basin	0.2604	-11.37	0.2308
Peace River Basin	0.2139	-14.59	0.1827
Manasota Basin	0.1686	-11.98	0.1484

(CD 1/Track 1 – 15:15/18:20)

(Mr. Combee teleconferenced into the meeting at this time.)

5. **Public Comments**

a. **Letters/Resolutions Received**

Ms. Parks noted staff has received 37 taxpayer calls and letters from four taxpayers in response to receiving their 2009 Notice of Proposed Property Taxes. This correspondence is provided to the Board members and becomes Exhibit A to Agenda Item 5A and entered into the record.

b. **Persons Wishing to Address the Board**

Ms. Parks requested that anyone wishing to address the budget come forward, and state their name, address, and group affiliation, if any. There were no requests to speak, and no public were in attendance at any of the District's offices. (CD 1/Track 1 – 18:20/20:13)

6. **Adopt Tentative Fiscal Year 2010 Millage Rates**

The millage rates are as follows:

General Fund Districtwide	0.3866
Alafia River Basin	0.2163
Hillsborough River Basin	0.2421
Coastal Rivers Basin	0.1885
Pinellas-Anclote River Basin	0.3200
Withlacoochee River Basin	0.2308
Peace River Basin	0.1827
Manasota Basin	0.1484

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

RESOLUTION NO. 09-16

**ADOPTION OF TENTATIVE MILLAGE RATES
FOR FISCAL YEAR 2010**

This resolution is made a part of these minutes as if set forth in full but, for convenience, is filed in the permanent resolution files of the District.

Following consideration, **Ms. Rovira-Forino moved to adopt Resolution No. 09-16, Adoption of Tentative Millage Rates. Mr. Gramling seconded the motion. Following a roll call vote of members teleconferencing, Ms. Kavouras confirmed that the motion carried unanimously.** (CD 1/Track 1 – 20:13/21:50)

7. **Adopt Tentative Fiscal Year 2010 Budget**

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

RESOLUTION NO. 09-17

**ADOPTION OF TENTATIVE BUDGET
FOR FISCAL YEAR 2010**

This resolution is made a part of these minutes as if set forth in full but, for convenience, is filed in the permanent resolution files of the District.

Following consideration, **Mr. Senft moved to adopt Resolution No. 09-17, Adoption of Tentative Budget for Fiscal Year 2010, in the amount of \$298,887,497. Mr. Oakley seconded the motion. Following a roll call vote of members teleconferencing, Ms. Kavouras confirmed that the motion carried unanimously.** (CD 1/Track 1 – 21:50/23:55)

8. **Announcement of Second and Final Public Hearing**

Ms. Parks announced the second public hearing will be held on September 29, 2009, 5:01 p.m., at the District's Tampa Service Office, 7601 US Highway North. Final action on the FY2010 budget will be taken at that time.

On behalf of the Board, Chair Pressman expressed his appreciation to Mr. Schiller, Ms. Pilcher and their staff. Ms. Parks said this is the most important thing the Board does, and staff does a tremendous job to ensure it is done right. On behalf of the staff, Mr. Schiller thanked the Board for all of the hours and efforts that they collectively put into this budget process.

9. **Adjournment**

Mr. Gramling moved, seconded by Ms. Rovira-Forino, to adjourn the Tentative Fiscal Year 2010 Budget Hearing. The motion carried unanimously. (CD 1/Track 1 – 23:55/25:43)

The public hearing was adjourned at 5:25 p.m.