The Governing Board of the Southwest Florida Water Management District met at 5:01 p.m. on September 29, 2009, at the District's Tampa Service Office. The following persons were present:

Board Members Present
Todd Pressman, Chair
Ronald E. Oakley, Vice Chair
Hugh Gramling, Secretary
Sallie Parks, Treasurer
Neil Combee, Member
Maritza Rovira-Forino, Member
H. Paul Senft, Member
Douglas B. Tharp, Member

Board Members Absent
Carlos Beruff, Member
Bryan Beswick, Member
Jennifer E. Closshey, Member
Judith C. Whitehead, Member
Albert G. Joerger, Member

Staff Members Present
David L. Moore, Executive Director
William S. Bilenky, General Counsel
Lou Kavouras, Deputy Executive Director
Richard S. Owen, Deputy Executive Director
Eugene A. Schiller, Deputy Executive Director
Bruce C. Wirth, Deputy Executive Director
William S. Bilenky, General Counsel
Daryl F. Pokrana, Director, Finance Dept.
Linda R. Pilcher, Assistant Director, Finance Dept.
Mary A. Linsbeck, Senior Budget Analyst, Finance
Eloise M. Buzbee, Senior Budget Analyst, Finance
Alan Lynch, Senior Budget Analyst, Finance
Michael Cacioppo, Budget Analyst, Finance
Joyce Morra, Administrative Coordinator, Finance
Dary F. Pokrana, Director, Finance Dept.

A list of others present who signed the attendance roster is filed in the permanent files of the District. This meeting was broadcast to the District service offices for viewing only.

1. **Call to Order**
Chair Pressman called the meeting to order.

2. **Open Public Hearing**
Chair Pressman opened the public hearing and turned the gavel over to Ms. Parks, Chair of the Finance and Administration Committee.

Ms. Parks said today is the second and final public budget hearing. The purpose of the hearing is to provide an opportunity to receive public comments prior to adoption of the final millage rates and combined budget for Fiscal Year (FY) 2010. 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 and will conclude today with the adoption of the final budget.

Ms. Parks said the District's combined FY2010 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 fiscal year 2008, tax reform legislation was enacted by the Florida Legislature. This was 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 and reduced state revenues, 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 tentative millage rates are well below the rolled-back millage rates and maximum millage rates for FY2010.

Ms. Parks noted that, on September 15 prior to the First Hearing, the District received a letter from Governor Charlie Crist approving the District's FY2010 budget. A copy of this letter was available at the meeting, and the letter can be viewed on the District's web site at watermatters.org. 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 expressed 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 this budget reflects the District's goal of providing cost-effective quality services while protecting and enhancing the public's water resources, and achieving the strategic priorities of the Governing and Basin Boards. She personally thanked the Governing and Basin Board members, as well as District staff, for their participation and the special efforts required to develop the District's FY2010 budget. (CD 1/Track 1 – 00:00/07:40)

Ms. Kavouras called the roll for the record (see above) and noted a quorum was present.

3. **Budget Overview**

Mr. Schiller reviewed information showing the District's budget as it will be adopted by Fund. This includes the Districtwide General Fund budget which is overseen by the Governing Board and the seven separate Basin Funds, which are developed by the local Basin Boards. In August, the Basin Boards adopted their final millage rates and budgets as presented, along with resolutions requesting the Governing Board to 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. The District's combined FY2010 budget of $298.9 million is $77.6 million or 20.6 percent below FY2009. The decrease is primarily due to three items: $28.2 million reduction in ad valorem tax revenue, $31.3 million reduction in state funding and $7.8 million reduction in balances available from prior years.

Mr. Schiller said this budget has not changed since adoption of the tentative budget on September 15, 2009. The FY2010 budget includes $127.7 million (43 percent of budget) for the District's cost-share programs (Water Supply and Resource Development (WSRD) and Cooperative Funding) 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 million or 60 percent of the budget outsourced to and directly benefiting private industry and meeting the priorities of this Board. District funds will be leveraged with an estimated match of $119 million by cooperator partners.

Mr. Schiller noted that the District continues to operate without debt and with no increase in staffing. This budget will allow the District to meet its priorities throughout 2010. (CD 1/Track 1 – 07:40/10:48)

4. **Public Announcement of the Name of the Taxing Authority, the Rolled-Back Rates, the Percentage Decreases, and the Millage Rates to be Levied for FY2009**

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. It was noted that the Governing Board serves as the Board for the Green Swamp Basin; therefore, there is no separate Basin millage for the Green Swamp Basin.

<table>
<thead>
<tr>
<th>TAXING AUTHORITY</th>
<th>ROLLED-BACK RATE</th>
<th>PERCENTAGE OF TAX DECREASE BELOW ROLLED-BACK RATE</th>
<th>MILLAGE RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Districtwide</td>
<td>0.4443</td>
<td>-12.99</td>
<td>0.3866</td>
</tr>
<tr>
<td>Alafia River Basin</td>
<td>0.2519</td>
<td>-14.13</td>
<td>0.2163</td>
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<tr>
<td>Hillsborough River Basin</td>
<td>0.2885</td>
<td>-16.08</td>
<td>0.2421</td>
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<tr>
<td>Coastal Rivers Basin</td>
<td>0.2186</td>
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<td>0.1885</td>
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<td>Pinellas-Anclote River Basin</td>
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<td>0.3200</td>
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<tr>
<td>Withlacoochee River Basin</td>
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<td>0.2308</td>
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<tr>
<td>Peace River Basin</td>
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<td>0.1827</td>
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<tr>
<td>Manasota Basin</td>
<td>0.1686</td>
<td>-11.98</td>
<td>0.1484</td>
</tr>
</tbody>
</table>

(CD 1/Track 1 – 10:48/Track 2 – 02:15)

5. **Final FY2010 Budget**
   a. **Reconciliation of Tentative to Final FY2009 Budget**
      Ms. Pilcher said that page five of the handout contains the reconciliation of the tentative budget to the final budget for FY2010. There were no changes.
   b. **TRIM Budget Summary**
      Ms. Pilcher stated that this item is on page six of the handout. This is the “Truth in Millage” (TRIM) budget summary that is used to prepare the newspaper advertisement and was provided for information only. (CD 1/Track 2 – 02:15/02:40)

6. **Public Comments**
   a. **Letters/Resolutions Received**
      Ms. Parks said since the date of the first public hearing, held September 15, the District has received one additional letter from a taxpayer. This letter is provided to the Governing Board and will now become Exhibit A to Agenda Item 6A and entered into the record. Staff has also received four taxpayer calls since the first public hearing with general tax questions.
   b. **Persons Wishing to Address the Board**
      Ms. Parks requested that anyone wishing to address the budget come forward.

   Mr. David Gore, a resident of Haines City, said he received the estimated tax notice and the amount he will be paying to the District. He read a prepared statement into the record regarding the District’s mission, regulation and water resource issues. (CD 1/Track 2 – 02:40/12:00)

7. **Adopt Final FY2010 Millage Rates**
The final FY2010 millage rates as publicly announced in Agenda Item 4 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. 09-18

ADOPTION OF FINAL MILLAGE RATES AND
CERTIFICATION OF LEVIES TO THE COUNTY PROPERTY APPRAISERS
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, seconded by Mr. Tharp, to adopt Resolution No. 09-18 for adoption of final millage rates as publicly announced. Motion carried unanimously. (CD 1/Track 3 – 00:00/00:21)

8. Adopt Final FY2010 Budget
The final FY2010 budget in the amount of $298,887,497 is summarized in the handout. Ms. Rovira-Forino moved, seconded by Mr. Senft, to approve

SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT

RESOLUTION NO. 09-19

ADOPTION OF FINAL 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.

Motion carried unanimously. (CD 1/Track 3 – 00:21/00:35)

9. Introduce all Materials as Composite Exhibit
Ms. Parks introduced all budget materials as a composite exhibit. She stated that the record should reflect that all materials presented here this afternoon, including the notebooks, are part of the permanent record of the public hearing.

Mr. Combee thanked Mr. Gore for coming. He said Mr. Gore’s agenda is resource protection, and his intentions are sincere and pure. Ms. Parks said the Board is always glad to have someone from the public speak.

10. Adjournment
Ms. Parks requested a motion to adjourn. Mr. Combee moved, seconded by Mr. Tharp, to adjourn the final FY2010 public budget hearing. The motion carried unanimously. (CD 1/Track 3 – 00:35/01:53)

The public hearing was adjourned at 5:23 p.m.