MINUTES OF THE MEETING
SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT
FY2019 BUDGET WORKSHOP

TAMPA, FLORIDA SEPTEMBER 25, 2018

The Governing Board of the Southwest Florida Water Management District (District) met for a public workshop at 1:00 p.m., on September 25, 2018, at the Tampa Office. The following persons were present:

Board Members Present
Jeffrey M. Adams, Chair
Ed Armstrong, Vice Chair
Bryan Beswick, Secretary
Michelle Williamson, Treasurer
H. Paul Senft, Member
Randall S. Maggard, Member
Kelly S. Rice, Member
Mark Taylor, Member *Via Phone
Rebecca Smith, Ph.D., Member
Joel Schleicher, Member
James G. Murphy, Member
Scott Wiggins, Member

Staff Members
Brian J. Armstrong, Executive Director
Amanda Rice, Assistant Executive Director
Karen E. West, General Counsel
John J. Campbell, Division Director
Ken L. Frink, Division Director
Alba E. Más, Division Director
Michael Molligan, Division Director
Jennette Seachrist, Division Director
James Fine, Office Chief

Board Administrative Support
Caroline McKnight, Board & Executive Services Mgr.
Lori Manuel, Administrative Assistant

Board Members Absent
John Henslick, Member

A list of others in attendance, who signed the attendance roster, is filed in the permanent records of the District. This meeting was available for viewing through Internet streaming. Approved minutes from previous meetings can be found on the District's website (www.WaterMatters.org).

PUBLIC HEARING (Video – 00:00)

1. Call to Order and Introductions
Chair Adams opened the public hearing.
Chair Adams stated that discussions will include staffing levels, budget metrics and reserves.

Treasurer Williamson reminded the Board that no action would be taken at this workshop.

2. 2020 Business Plan
Mr. James Fine, Project Management Office chief, provided a presentation that gave an overview of the Business Plan. This overview included a planning timeline, a history of the Business Plan, drivers for the FY2020 Business Plan, how the workforce is changing, resource considerations by bureaus, resource trends from FY2016 through FY2020 and next steps to be considered.

Mr. Fine provided a chart that identified the number of staff, by skill set, that are eligible for retirement. He also provided a chart that outlined the reasons and skill sets associated with staff separations from October 2017 through May 2018.

Discussion focused on the changing workforce and reasons associated with staff leaving the District.
3. Workforce Assessment
Please note that agenda items 3, 4 and 5 were discussed collectively.

Mr. Michael Molligan, Employee and External Relations director, presented a chart that outlined the total Full-Time Employee (FTE) positions at the District from FY2010 through tentative FY2019.

Ms. Alba Más, Regulation director, presented a chart that outlined the number of Environmental Resource Permits (ERPs) reviewed per engineer from 2006 until 2018. Ms. Más stated that although staff has decreased, more permits are now being issued than previous years.

Mr. John Campbell, Management Services director, presented a chart that outlined the number of document file boxes that have been scanned into file of record and the number of staff that assisted with this from 2014 through 2018. He stated streamlining the scanning process resulted in the availability of three FTEs that were transferred to areas that required additional resources.

Mr. Ken Frink, Operations, Lands and Resource Monitoring director, presented a graph that depicted the average burn frequency for prescribed burns the District has completed from 2009 until 2018.

Mr. Frink stated the District owns and operates 86 water control and pumping stations. He stated that 50 percent of structures are between 40 and 60 years old. He provided a graph that outlined the number of structures and pumps the District has maintained and the number of FTEs that assist. He stated that due to various enhancements, the FTEs utilized to assist with these structures has decreased by 30 percent since 2013.

Ms. Más presented information on the District program named DIVE (Define, Investigate, Verify and Enact). She explained that DIVE is a grassroots effort by District staff to improve processes through the elimination of waste which then creates capacity. Ms. Más stated that some staff have been trained in the Kaizen methodology of process improvement. Since the program began in 2015, there have been 17 Kaizen events. Ms. Más outlined some District-wide efficiencies that resulted in the gain 2.75 FTEs.

Ms. Jennette Seachrist, Resource Management director, presented information that outlined a seven-year cost average (FY2013-2019) for the Cooperative Funding Initiative (CFI) and District projects. Ms. Seachrist stated that although there have not been any large initiatives in the past seven years, the District anticipates some sizable projects in the next 20 years.

Board Member Smith expressed her concerns regarding the proposal of a two-month cash reserve. Mr. Campbell stated there is no statutory requirement as related to reserves. He said that the Florida Department of Environmental Protection (FDEP) proposes a two-month reserve. Board Member Schleicher expressed his concerns regarding retaining more than a two-month cash reserve.

Treasurer Armstrong stated that resources need to be available for funding future long term infrastructure needs.

4. Budget Development Process
Mr. Campbell presented a chart that outlined the annual budgeting cycle. He explained how the budget is developed and the metrics used. Mr. Campbell provided metrics from 2014 through tentative 2019 for salaries and benefits, operating and projects budgets.

Discussion included competitiveness of wages with other water management districts.
Ms. Amanda Rice, assistant executive director, stated that for budgeting purposes, 574 FTEs is the budgeting threshold. Chair Adams stated that this number needs to be re-evaluated on a routine basis, depending on staffing needs. Ms. Rice stated the Business Plan does include the need for this type of evaluation.

Committee Chair Williamson expressed concern regarding the affect the pending homestead exemption may have on the budget.

Board Member Wiggins commented that the findings from the pay and class study at the end of the year may gleam additional information to assist in determining budget needs.

Discussion ensued regarding the appropriate number of months the District should maintain in reserve for future funding.

5. Budget Metrics
Board Member Maggard explained the how staffing benchmarks were established and budget metrics were developed.

6. Long Term Financial Plan Update
Mr. Campbell presented a chart depicting long-term funding prioritization scenarios beginning in FY2020 through FY2039. He stated that for this scenario, ad valorem is at roll-back with new growth based on projection models as follows: FY2020-2023 is 2.56 to 2.59 percent and FY2024-FY2039 is at 2 percent. He outlined the other criteria that was used in the long-term funding plan.

7. Adjournment
Mr. Armstrong thanked the Board. He provided a recap of the meeting based on the comments from the Board. He stated that he understood that the Board would like to maintain the current practices and staffing levels and continue budget metrics but provide additional information when needed. It was agreed a future discussion on prioritizing large projects would need to occur. Board Member Smith suggested that six-month reserves be applied to the model rather than two-month reserves.

The meeting was adjourned at 2:50 p.m.