

FISCAL YEAR 2014-15 BUDGET-IN-BRIEF



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EXECUTIVE DIRECTOR
Robert R. Beltran, P.E.

Southwest Florida
Water Management District

Message From the Executive Director

On behalf of the Southwest Florida Water Management District Governing Board, I am pleased to present the District's adopted budget for fiscal year (FY) 2014–15, which begins October 1, 2014 and ends September 30, 2015.

The District's FY2014–15 budget is designed to protect Florida's water resources and to improve Florida's economic vitality. All programs and projects are dedicated to the mission of the District and provide the highest quality service to the citizens of west-central Florida.

On September 30, 2014, the Governing Board adopted a final millage rate of 0.3658 mill, a reduction of 4.2 percent, which is at the rolled-back millage rate.

The District's FY2014–15 adopted budget is \$166.3 million, \$4.4 million less than the FY2013–14 budget of \$170.8 million. This budget represents a 3 percent reduction in recurring expenditures as the District continues to look for efficiencies. The FY2014–15 budget includes \$102.3 million in property tax revenue. In addition, as part of the springs initiative, there is \$6.4 million in state funding for water supply activities that contribute to reducing groundwater withdrawals and improving water quality in the springs region.

The adopted budget has \$93.6 million dedicated to capital, infrastructure and other District projects. Without incurring bonded debt, the District will leverage \$75 million through cooperative partnerships with public and private partners. This will result in matching cooperator funds of approximately \$75 million for a total investment in sustainable alternative water supply development and other water resource management projects of \$150 million. In addition, the District will outsource more than \$22 million (recurring and non-recurring expenditures) in FY2014–15. This direct outsourcing combined with the District funding through its Cooperative Funding Initiative will result in an estimated \$97 million directly benefiting the regional economy and job growth.

The District maintains a Long-Term Funding Plan to assure our citizens that we have adequate fiscal resources to address core mission areas: water supply, water quality, flood protection and floodplain management, and natural systems. Our plan shows that the District's fiscal resources, supplemented with prudently managed project reserves, can support a healthy investment in the economy and water resources during the next 10 years.

In summary, the District's Governing Board has adopted a final budget for FY2014-15 that ensures the long-term sustainability of the region's water resources. This budget provides for significant investment in water resource projects and strategic initiatives. The District will continue seeking efficiencies to allow the Governing Board the flexibility to maintain the necessary annual investment in critical water resource management projects for the west-central Florida region.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert R. Beltran".

Robert R. Beltran, P.E.
Executive Director

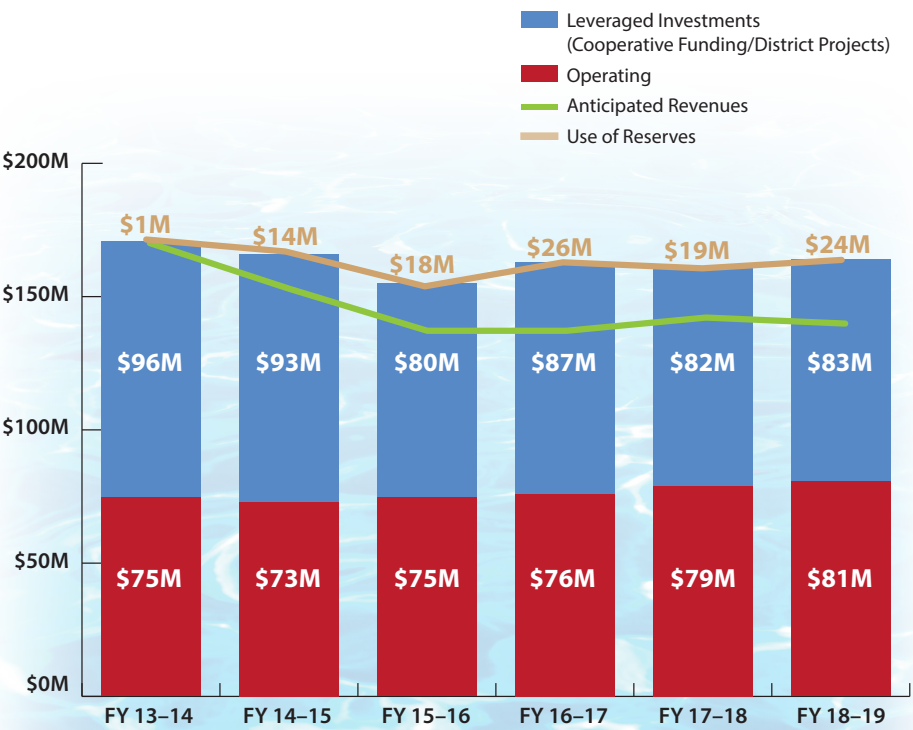
FY2014–15 Budget — Key Highlights

The District's budget for capital, infrastructure and other projects is \$93.6 million, representing more than 56 percent of total expenditures. A total of \$12.1 million is budgeted for springs initiatives of which \$5.7 million is designed to enhance and improve submerged aquatic vegetation and emergent wetland habitat. Another \$6.4 million is designated for water supply activities to reduce groundwater withdrawals and improve water quality. Following are examples of project investments for FY2014–15:

- ✓ \$22 million for reclaimed water projects to reduce our reliance on groundwater.
- ✓ \$12 million for the restoration of impacted lands to improve water quality and re-establish wetland and upland natural systems.
- ✓ \$11 million for stormwater improvement projects to improve the water quality of SWIM priority water bodies, such as Kings Bay, Rainbow River and Tampa Bay.
- ✓ \$8 million for stormwater improvement projects to reduce flood risk and protect our citizens.
- ✓ \$7 million for Facilitating Agricultural Resource Management Systems (FARMS) projects to reduce groundwater use and improve water quality impacted by agricultural practices.
- ✓ \$6 million for brackish groundwater development to help reduce the need for importing fresh groundwater from inland areas to meet coastal water demands.
- ✓ \$5 million for watershed management planning in cooperation with local partners to assess existing flood risk in flood-prone areas. Our advanced models also help evaluate alternative practices that can be implemented to reduce flood risk.

Long-Term Funding Plan

The graphic below represents a snapshot of the District’s financial model. This model shows how the District plans to 1) control its operating expenditures; 2) schedule its long-range project funding needs; and 3) depending on anticipated revenue generated, use reserves to supplement long-range project funding. By managing our operating expenses and prudently applying reserves to vital water resource projects, the District’s fiscal resources can support a healthy investment in the economy and water resources over the next 10 years.



How the District is Funded

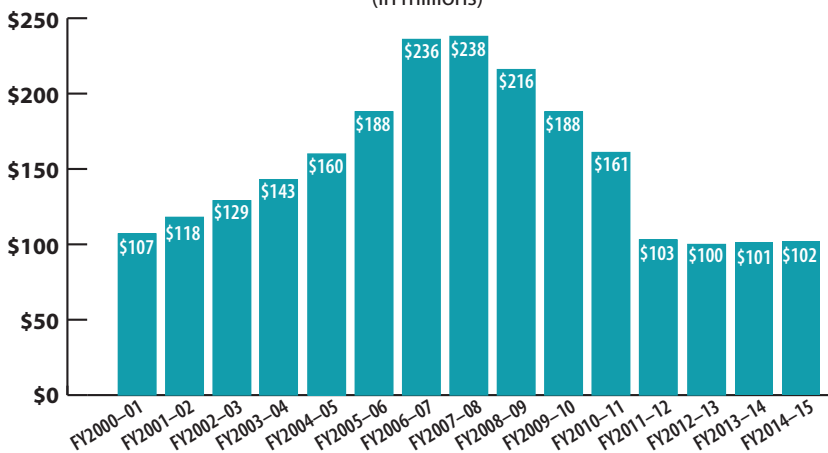
FY2014–15 Budget

Revenues
(in millions) **Percent of Total**

	Revenues (in millions)	Percent of Total
Ad Valorem Tax Revenue	\$102.3	61.5%
Property taxes levied on the taxable value of real and personal property as certified by the property appraiser in each county. The millage rate for FY2014–15 is 0.3658 mill, which is the rolled-back rate.		
State / Federal / Local Funding	\$14.8	8.9%
State funds (\$13.3 million) provided by the Department of Environmental Protection, Florida Department of Transportation and Florida Fish and Wildlife Conservation Commission; federal funds (\$85,000) provided by the Federal Emergency Management Agency; and local funds (\$1.5 million) provided by county/city governments within the District's jurisdiction.		
Other Funding	\$5.6	3.3%
Various funding sources such as permit and license fees (\$1.7 million), interest earnings on investments (\$3.6 million), and miscellaneous revenue (\$260,700).		
Balance from Prior Years	\$29.3	17.7%
Unexpended funds carried forward from the previous fiscal year(s) primarily related to project cancellations and projects completed under budget.		
Reserves	\$14.3	8.6%
Represents restricted basin reserves of \$10.5 million and project reserves of \$3.8 million utilized to fund projects.		
TOTAL REVENUES	\$166.3	100%

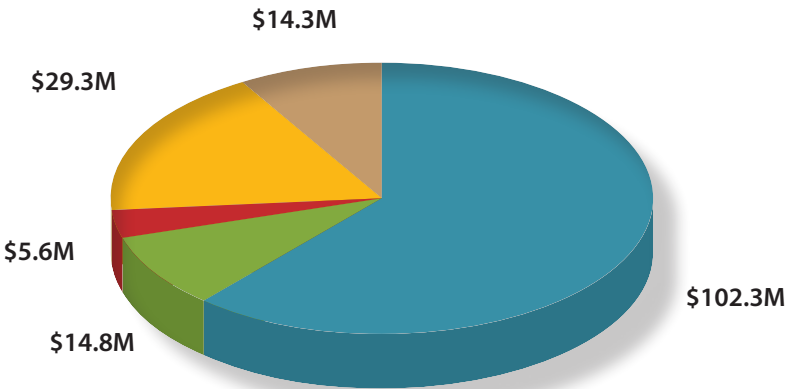
Historical Ad Valorem Tax Revenue

(in millions)

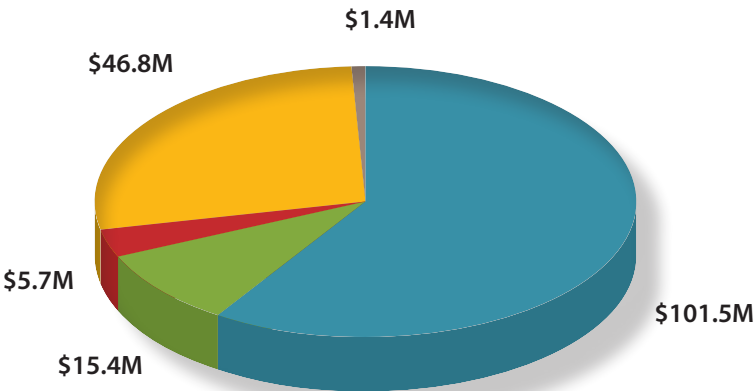







Year-to-Year Comparison

FY2014–15 Adopted Budget — \$166.3 million



FY2013–14 Adopted Budget — \$170.8 million



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|---|--|
|  Ad Valorem Tax Revenue |  Balance From Prior Years |
|  State/Federal/Local Funding |  Reserves |
|  Other Funding | |

How the District Allocates Resources by Category

FY2014–15 Budget

Expenditures
(in millions) **Percent of Total**

Salaries & Benefits	\$47.4	28.5%
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Salaries and benefits for District regular full-time equivalent (FTE) positions. The number of FTE positions was reduced from 585 FTEs for FY2013–14 to 574 FTEs for FY2014–15.

Operating Expenses	\$15.9	9.6%
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This includes items such as Property Tax Commissions, Software/Software Maintenance, Parts and Supplies, Utilities, Insurance and Bonds, Fuels and Lubricants, and Telephone/Data Communications. Reduction of more than \$700,000 from FY2013–14 through continued cost reductions wherever possible.

Contracted Services for Operational Support & Maintenance	\$8.3	5.0%
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Outsourced services in support of the District's operations in areas such as Information Technology, Data Collection, Land Management, and Structure Operations & Maintenance.

Operating Capital Outlay	\$1.1	0.7%
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Purchases of heavy equipment, vehicles, airboats, computer hardware, furniture and equipment with a value per item of at least \$1,000 and an estimated useful life of one or more years.

Cooperative Funding / District Grants	\$76.6	46.0%
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Matching funds provided through the District Cooperative Funding Initiative, which includes the Water Supply and Resource Development and Cooperative Funding programs and District grants such as the Facilitating Agricultural Resource Management Systems (FARMS) program. The Cooperative Funding Initiative generally provides 50 percent matching funds toward the cost of projects that help create sustainable water resources, enhance conservation efforts, and provide flood protection.

Contracted Services for District Projects	\$14.0	8.4%
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District-led projects such as Surface Water Improvement and Management (SWIM) restoration, Institute of Food and Agricultural Sciences (IFAS) Program and Florida Department of Transportation (FDOT) Mitigation. These projects are performed by the private sector and represent direct investments into the economy as well as important projects that protect Florida's water resources.

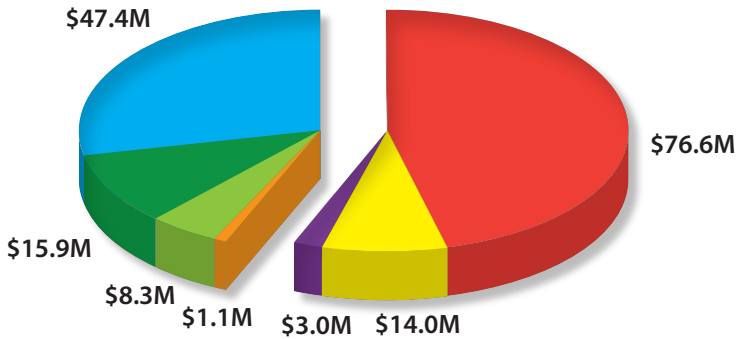
Fixed Capital Outlay	\$3.0	1.8%
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Funding for land purchases and land improvements, land easements, water control structures, bridges, building and improvements, leasehold improvements and Florida Forever land purchases.

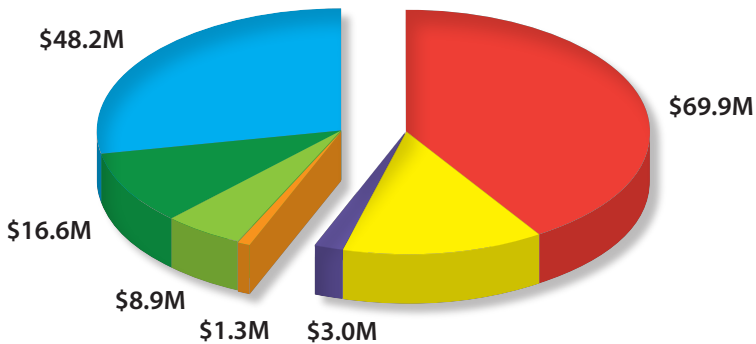
TOTAL EXPENDITURES	\$166.3	100%
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Recurring (Operating)

- Salaries & Benefits
- Operating Expenses
- Contracted Services for Operational Support & Maintenance
- Operating Capital Outlay

Non-Recurring (Projects)

- Cooperative Funding/District Grants
- Contracted Services for District Projects
- Fixed Capital Outlay

How the District Allocates Resources by Program Area

FY2014–15 Budget

Expenditures
(in millions) **Percent of Total**

Water Resources Planning and Monitoring **\$27.3** **16.4%**

All water management planning, including water supply planning (\$926,690), development of minimum flows and levels for aquifers, lakes and rivers (\$2 million), and other water resources planning activities including watershed management planning (\$8.1 million); research, data collection, analysis, and monitoring (\$13 million); technical assistance (\$1.2 million) which includes local/regional plan and program review; and other program activities including technology and information services.

Acquisition, Restoration and Public Works **\$88.8** **53.4%**

All development and construction of capital projects, including water resource and water supply development projects such as reclaimed water, Facilitating Agricultural Resource Management Systems (FARMS), and conservation projects in partnership with local governments (\$50.8 million); surface water projects for the restoration of lands and water bodies with water quality, flood protection and natural systems benefits (\$33.3 million); acquisition of land for the protection and management of water resources (\$3.3 million); and other program activities including technology and information services.

Operation and Maintenance of Lands and Works **\$15.9** **9.6%**

All operation and maintenance of flood control and water conservation structures, canals and levees (\$4.4 million); management of public conservation lands, restoring their natural conditions, and providing for compatible recreational use (\$3.7 million); Facilities Operation/Maintenance (\$3.3 million); Fleet Services (\$2.2 million); and other program activities including technology and information services.

Regulation **\$19.5** **11.7%**

All water use permitting (\$5.5 million), water well construction permitting and contractor licensing (\$870,484), environmental resource/surface water management permitting (\$6.7 million), permit administration/enforcement or any delegated regulatory program (\$2.3 million); and other program activities including technology and information services.

Outreach **\$1.9** **1.1%**

All water resources education activities, such as springs protection campaigns and water conservation programs for builders and the hospitality industry (\$813,554); public information activities (\$840,972); all lobbying activities relating to regional, state and federal governmental affairs; and other program activities including technology and information services.

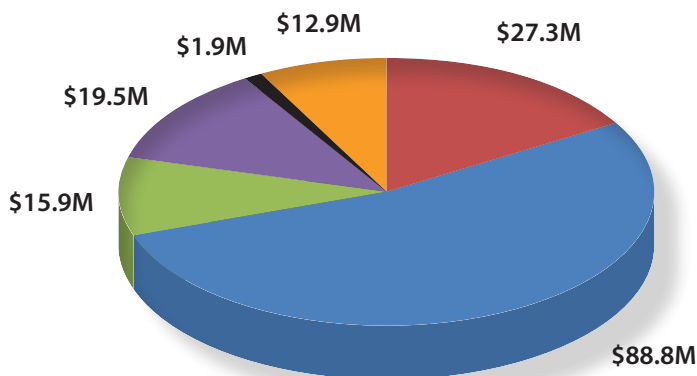
District Management and Administration **\$12.9** **7.8%**

All administrative and operations support (\$9.4 million or 5.7%), and commissions to county tax collectors and property appraisers (\$3.5 million or 2.1%).

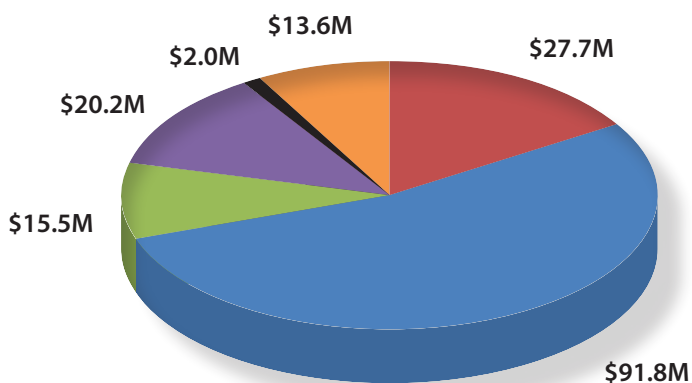
TOTAL EXPENDITURES	\$166.3	100%
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Year-to-Year Comparison

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FY2013–14 Adopted Budget — \$170.8 million



- | | |
|---|--|
| ■ Water Resources Planning and Monitoring | ■ Regulation |
| ■ Acquisition, Restoration and Public Works | ■ Outreach |
| ■ Operation and Maintenance of Lands and Works | ■ District Management and Administration |

MISSION

The mission of the Southwest Florida Water Management District is to manage water and related natural resources to ensure their continued availability while maximizing the benefits to the public. Central to the mission is maintaining the balance between the water needs of current and future users while protecting and maintaining water and related natural resources which provide the District with its existing and future water supply.



The Southwest Florida Water Management District (District) does not discriminate on the basis of disability. This nondiscrimination policy involves every aspect of the District's functions, including access to and participation in the District's programs and activities. Anyone requiring reasonable accommodation as provided for in the Americans with Disabilities Act should contact the District's Human Resources Bureau Chief, 2379 Broad St., Brooksville, FL 34604-6899; telephone (352) 796-7211 or 1-800-423-1476 (FL only), ext. 4702; TDD 1-800-231-6103 (FL only); or email ADACoordinator@WaterMatters.org.