

# FISCAL YEAR 2019 BUDGET-IN-BRIEF



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EXECUTIVE DIRECTOR  
*Brian J. Armstrong, P.G.*

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) 2019, which begins October 1, 2018 and ends September 30, 2019.

The FY2019 budget is designed to protect Florida's water and related natural resources in accordance with Governing Board priorities, Legislative directives, and our Five-Year Strategic Plan. The District continues to focus on mission-critical areas, as well as committing significant resources to capital projects including alternative water supply (AWS) projects. In addition, our long-term funding plan demonstrates that the District's fiscal resources, supplemented with prudently managed project reserves, can support a healthy investment in water resources and the economy over the next five years.

On September 25, 2018, the District's Governing Board adopted a final millage, the rolled-back rate of 0.2955 mill. This is a reduction of 5.6 percent and will save taxpayers approximately \$6.9 million.

The budget for FY2019 is \$176.3 million, compared to \$183.7 million for FY2018. More than \$100 million, representing 57 percent of the total budget, is dedicated for Cooperative Funding Initiative and District projects, illustrating the District's commitment to putting tax dollars to work. These projects leveraged with District partners will result in a total investment of approximately \$129 million for sustainable AWS development and other water resource management projects. Since 1988, the District and its partners have a combined investment of more than \$3.2 billion in critical water resource projects.

Springs continue to be a unique destination for both our citizens and visitors. The District has \$2.6 million in the budget for the region's coastal springs systems. These efforts will contribute toward restoring degraded springs and spring-fed rivers through a variety of techniques such as monitoring, research and development, and restoration.

The District has prioritized implementing water resource development projects, as outlined in the Regional Water Supply Plan. The budget includes \$32.3 million for AWS projects to continue to reduce the region's dependency on fresh groundwater. Upon completion, these projects will result in 48.8 million gallons per day of AWS within the District.

Staff continue to build on our culture of efficiency by operating within our means without incurring debt. This budget is dedicated to the District's core areas of responsibility of flood protection, water supply, water quality and natural systems, with a significant investment in water resource projects and strategic initiatives and is intended to provide the highest quality of service to the citizens of west-central Florida.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian J. Armstrong", is written over a background of blue and white water ripples.

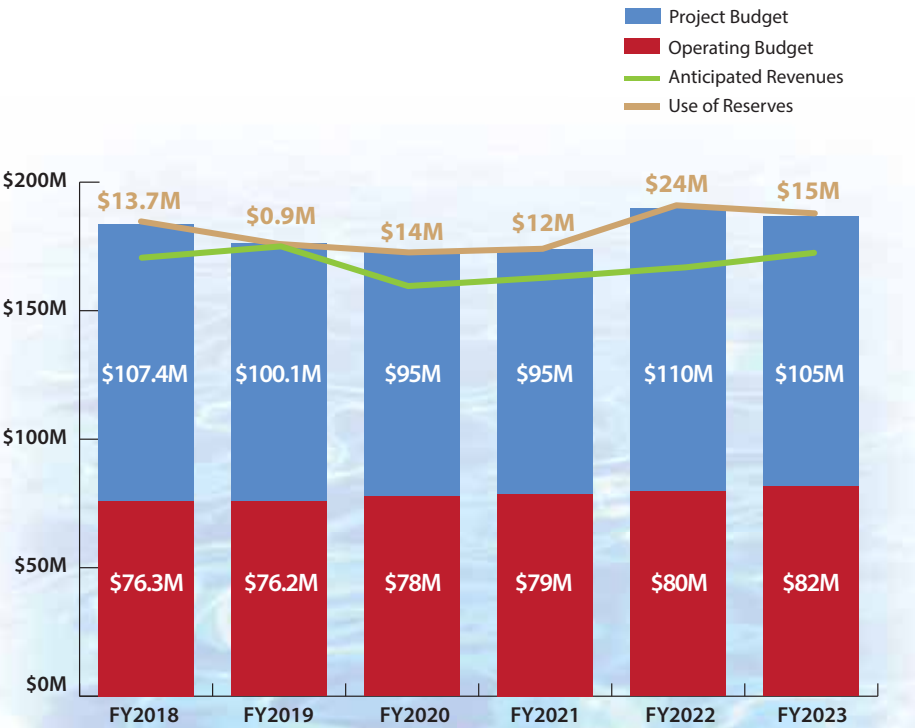
Brian J. Armstrong, P.G.  
Executive Director

## **FY2019 Budget — Key Highlights**

- ✓ \$52.1 million for water supply initiatives to ensure an adequate supply of water resources for all existing and future reasonable and beneficial uses. This includes regional water supply planning, alternative water supplies, reclaimed water, conservation and agricultural Best Management Practices (BMPs).
- ✓ \$2.6 million for springs initiatives to restore degraded springs and spring-fed rivers in strategic locations for maximum ecological and economic benefit.
- ✓ \$5.3 million for water quality improvements to treat stormwater runoff before discharging directly or indirectly to water bodies.
- ✓ \$36.2 million for flood protection activities to minimize flood damage to protect people, property, infrastructure and investment:
  - ◆ \$20.2 million for Watershed Management Program projects:
    - \$5.4 million for the modeling and planning phases.
    - \$14.8 million for the implementation of BMPs.
  - ◆ \$7 million for the management of 81 water control structures and 63 miles of canals.
- ✓ \$4.6 million to manage approximately 452,000 acres of conservation lands for the statutorily mandated purposes of protecting and restoring their natural condition. This includes \$2.25 million appropriated by the Florida Legislature from the Land Acquisition Trust Fund.
- ✓ \$4.9 million for determination, establishment and recovery of Minimum Flows and Minimum Water Levels (MFLs) for streams, estuaries, lakes, aquifers, wetlands, and springs to avoid significant harm to the water resources or ecology of the area.

Long-Term Funding Plan

The graph 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) use reserves to supplement long-range project funding. By managing our operating expenditures and prudently applying reserves to vital water resource projects, the District’s fiscal resources can support a healthy investment in the water resources and economy over the next five years.



## How the District is Funded

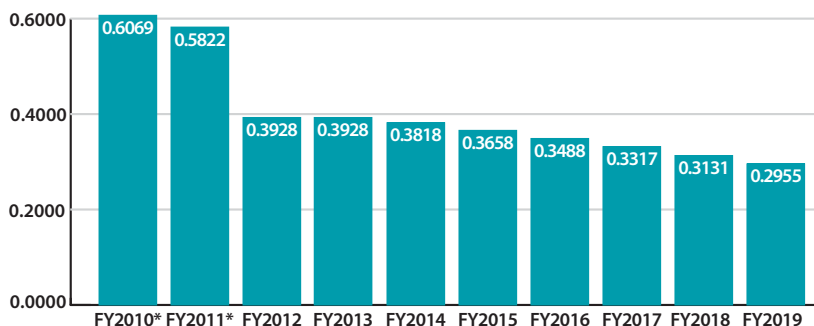
### FY2019 Budget

**Revenues**  
(in millions)

**Percent  
of Total**

<b>Ad Valorem Taxes</b>	<b>\$110.6</b>	<b>62.7%</b>
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 FY2019 is 0.2955 mill, which is the rolled-back rate.		
<b>State / Federal / Local Funding</b>	<b>\$10.8</b>	<b>6.1%</b>
<ul style="list-style-type: none"> <li>State funding of \$8.5 million includes \$4.2 million from Florida Forever Trust Fund prior year appropriations for land acquisition; \$2.25 million from the Land Acquisition Trust Fund for land management activities; \$1.5 million for the Florida Department of Transportation Mitigation program; \$350,000 from the Florida Fish and Wildlife Conservation Commission for aquatic weed control; and \$170,200 from other state programs.</li> <li>Federal funding of \$821,458 from the RESTORE Act through the DEP for the Palm River Restoration project.</li> <li>Local funding of \$1.5 million for cooperatively funded projects where the District serves as the lead party.</li> </ul>		
<b>Other Funding</b>	<b>\$11.3</b>	<b>6.5%</b>
Various funding sources such as \$8.9 million from interest earnings on investments, \$2 million from permit and well construction contractor license fees, and \$457,800 from miscellaneous revenue.		
<b>Balance from Prior Years</b>	<b>\$42.7</b>	<b>24.2%</b>
Unexpended funds carried forward from the previous fiscal year(s) primarily related to projects completed under budget and project cancellations.		
<b>Use of Reserves</b>	<b>\$0.9</b>	<b>0.5%</b>
Represents assigned short-term project reserves to fund vital water resource management projects.		
<b>TOTAL REVENUES</b>	<b>\$176.3</b>	<b>100%</b>

### Historical Millage Rate

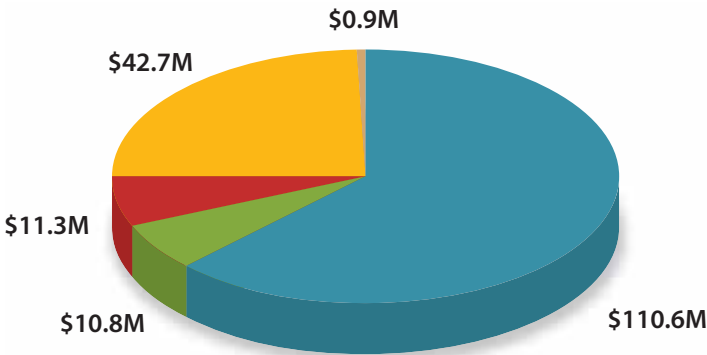


\*For comparative purposes, the FY2010 and FY2011 millage rates represent the blended rate (basins and General Fund) necessary to generate each year's ad valorem tax revenue. The District's basin Boards were eliminated effective FY2012.

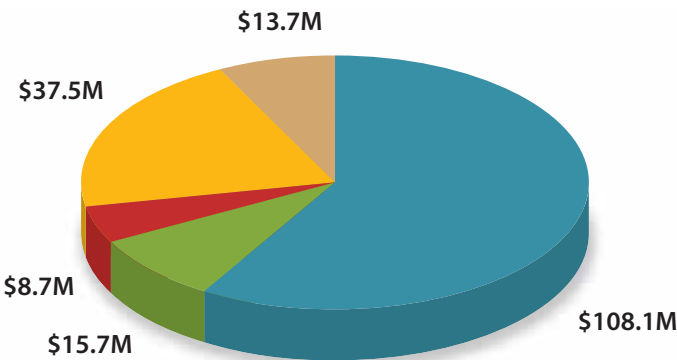







Year-to-Year Comparison

FY2019 Adopted Budget — \$176.3 million



FY2018 Adopted Budget — \$183.7 million



- |   |  |
|---|--|
|  Ad Valorem Taxes            |  Balance From Prior Years |
|  State/Federal/Local Funding |  Use of Reserves          |
|  Other Funding               |  |

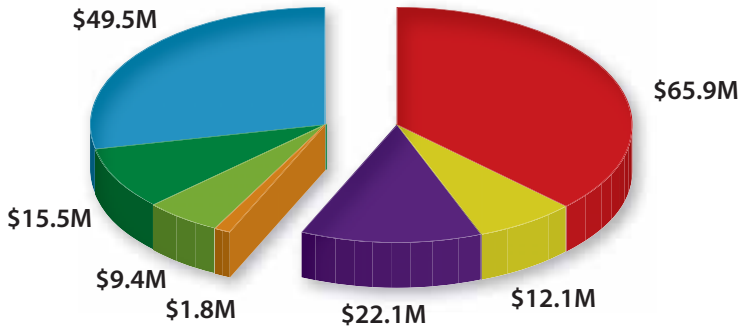
## How the District Allocates Resources by Category

<b>FY2019 Budget</b>	<b>Expenditures</b> (in millions)	<b>Percent of Total</b>
<b>Salaries &amp; Benefits</b>	<b>\$49.5</b>	<b>28.1%</b>
Salaries and benefits for District regular full time equivalent (FTE) positions. The number of FTE positions remains consistent from FY2018 to FY2019 at 574 FTEs.		
<b>Operating Expenses</b>	<b>\$15.5</b>	<b>8.8%</b>
Items such as property tax commissions; software, software maintenance and cloud services; parts and supplies; maintenance and repair of buildings and structures; insurance and bonds; utilities; fuels and lubricants; and telephone and data communications.		
<b>Contracted Services for Operational Support &amp; Maintenance</b>	<b>\$9.4</b>	<b>5.3%</b>
Outsourced services in support of District operations such as data collection; information technology; land management; minimum flows and minimum water levels establishment and evaluation; operation and maintenance of structures; and management and maintenance of canals, levees and culverts.		
<b>Operating Capital Outlay</b>	<b>\$1.8</b>	<b>1.0%</b>
Purchases of heavy equipment, vehicles, airboats, computer hardware, capital leases, and other equipment with a value per item of at least \$1,000 and an estimated useful life of one or more years.		
<b>Cooperative Funding/District Grants</b>	<b>\$65.9</b>	<b>37.4%</b>
Matching funds provided through the District's Cooperative Funding Initiative (CFI) and District grants such as the Facilitating Agricultural Resource Management Systems (FARMS) program. The CFI generally provides 50 percent matching funds toward the cost of projects that help create sustainable water resources, enhance conservation efforts, improve water quality, provide flood protection and restore natural ecosystems.		
<b>Contracted Services for District Projects</b>	<b>\$12.1</b>	<b>6.9%</b>
District-led projects such as Surface Water Improvement and Management (SWIM) restoration, Institute of Food and Agricultural Sciences (IFAS) research and Florida Department of Transportation Mitigation. These projects are vital to protecting Florida's water resources and are performed by the private sector representing a direct investment into the economy.		
<b>Fixed Capital Outlay</b>	<b>\$22.1</b>	<b>12.5%</b>
Funding for potential land purchases and land easements, water control structures, well construction, buildings and bridges.		
<b>TOTAL EXPENDITURES</b>	<b>\$176.3</b>	<b>100%</b>

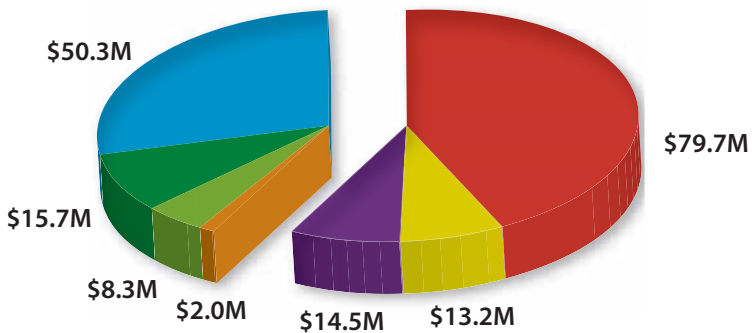


## Year-to-Year Comparison

### FY2019 Adopted Budget — \$176.3 million



### FY2018 Adopted Budget — \$183.7 million



#### Operating

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

#### Projects

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

## How the District Allocates Resources by Program Area

### FY2019 Budget

### Expenditures (in millions)

### Percent of Total

#### Water Resource Planning and Monitoring

\$29.8

16.9%

All research, data collection, analysis, and monitoring activities (\$14.8 million); water resources planning activities including watershed management planning (\$7.6 million), development of minimum flows and minimum water levels for springs, wetlands, aquifers, lakes and rivers (\$2.5 million), and water supply planning (\$958,598); technical assistance (\$1 million) which includes local/regional plan and program review; and other program activities including technology and information services.

#### Land Acquisition, Restoration and Public Works

\$93.5

53.0%

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 (\$45.3 million); surface water projects for the restoration of lands and water bodies with water quality, flood protection and natural systems benefits (\$27.2 million); acquisition of land for the protection and management of water resources (\$17.5 million); and other program activities including technology and information services.

#### Operation and Maintenance of Works and Lands

\$19.8

11.2%

Operation and maintenance of flood control and water conservation structures, canals and levees (\$7 million); management of public conservation lands by restoring their natural conditions, and providing for compatible recreational use (\$4.6 million); operation and maintenance of District facilities (\$3 million); management and maintenance of District fleet (\$3 million); and other program activities including technology and information services.

#### Regulation

\$19.8

11.3%

All environmental resource/surface water management permitting (\$7.4 million); consumptive use permitting (\$3.8 million); permit administration/enforcement or any delegated regulatory program (\$2.8 million); water well construction permitting and contractor licensing (\$772,485); and other program activities including technology and information services.

#### Outreach

\$2.2

1.2%

All outreach initiatives including public information activities (\$1.1 million); youth education, springs protection campaigns and water conservation programs for builders and the hospitality industry (\$800,046); all activities relating to regional, state and federal governmental affairs (\$95,396); and other program activities including technology and information services.

#### Management and Administration

\$11.2

6.4%

All administrative and operations support (\$7.7 million or 4.4%), and commissions to county tax collectors and property appraisers (\$3.5 million or 2%).

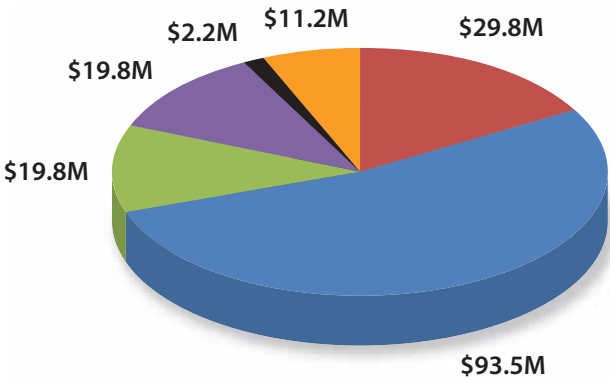
#### TOTAL EXPENDITURES

\$176.3

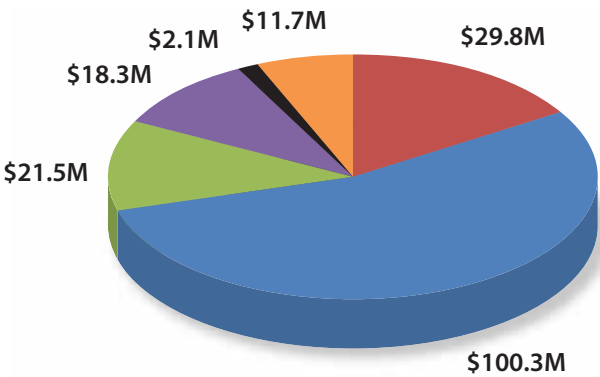
100%

Year-to-Year Comparison

FY2019 Adopted Budget — \$176.3 million



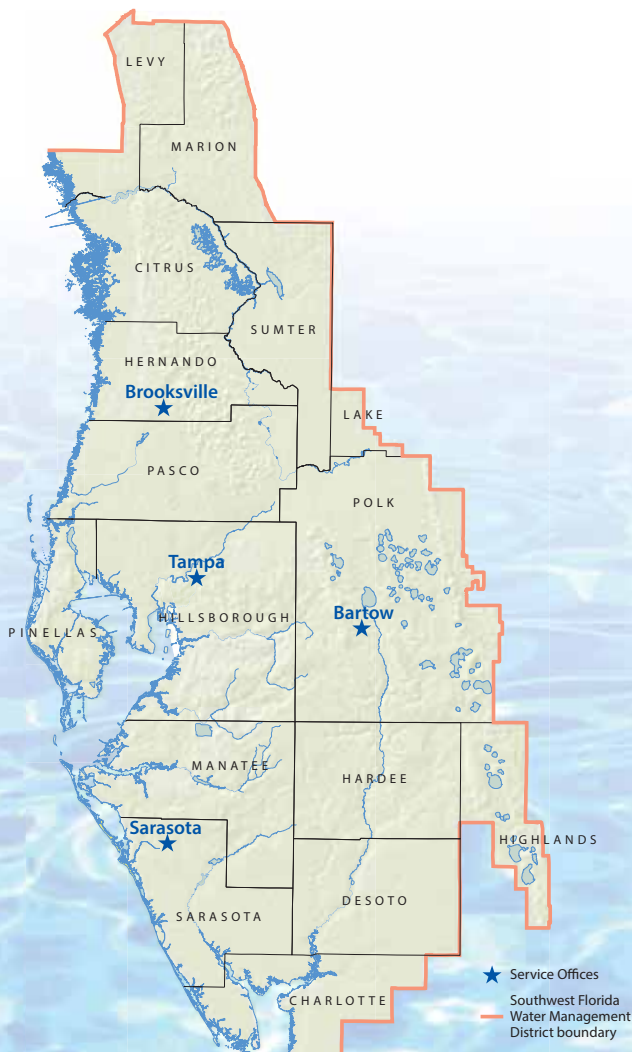
FY2018 Adopted Budget — \$183.7 million



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|--|-----------------------------------|
| 1.0 Water Resource Planning and Monitoring         | 4.0 Regulation                    |
| 2.0 Land Acquisition, Restoration and Public Works | 5.0 Outreach                      |
| 3.0 Operation and Maintenance of Works and Lands   | 6.0 Management and Administration |

## MISSION STATEMENT

To protect water resources, minimize flood risks,  
and ensure the public's water needs are met.



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 Office Chief, 2379 Broad St., Brooksville, FL 34604-6899; telephone (352) 796-7211 or 1-800-423-1476 (FL only), ext. 4703; or email [ADACoordinator@WaterMatters.org](mailto:ADACoordinator@WaterMatters.org). If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1-800-955-8771 (TDD) or 1-800-955-8770 (Voice).