

FISCAL YEAR 2016-17 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) 2016-17, which begins October 1, 2016 and ends September 30, 2017.

The District's FY2016-17 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. Our plan shows that the District's fiscal resources, supplemented with prudently managed project reserves, can support a healthy investment in the water resources and economy during the next 10 years.

On September 27, 2016, the Governing Board adopted a final millage, the rolled-back rate of 0.3317 mill, which is a reduction of 4.9 percent. Over the last seven fiscal years, the District's Governing Board has reduced its millage rate 45 percent to help reduce the tax burden for Florida residents while maintaining significant investment in water resources for the region.

The District's FY2016-17 adopted budget is \$180.1 million, compared to \$184.3 million for FY2015-16. More than \$104 million is dedicated for Cooperative Funding Initiative and District projects, representing 58 percent of the budget. The Cooperative Funding grants combined with matching funds through cooperative partnerships within public and private sectors will result in a \$120 million total investment for water resource projects. Since 1988, the District and its partners have a combined investment of more than \$2.9 billion for the region's water resources.

With the support of the Governor, State Legislature, and Florida Department of Environmental Protection, the District and its partners have committed \$16.1 million for the northern coastal springs systems. Springs continue to be a unique destination for both our citizens and visitors. These efforts will contribute to the beneficial reuse of reclaimed water and restoring degraded springs and spring-fed rivers through a variety of techniques such as monitoring, research and development, and restoration.

The District is committed to implementing water resource development projects, as prioritized in the Regional Water Supply Plan. The budget includes \$29.3 million for alternative water supply projects, of which approximately \$14.1 million is budgeted for 38 cooperatively-funded or District-initiated reclaimed water projects to continue to reduce the use of potable-quality water and increase alternative water supply.

In summary, the District's Governing Board has adopted a \$180.1 million final budget for FY2016-17, which is based on a 4.9 percent reduction in the ad valorem millage rate, that ensures the long-term sustainability of the region's water resources. The District will continue to look for opportunities to increase efficiencies to maintain the necessary annual investment in critical water resource management projects while improving the services we provide to the public. This budget is dedicated to the District's core mission 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 service to the citizens of west central Florida.

Sincerely,

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

Brian J. Armstrong, P.G.
Executive Director

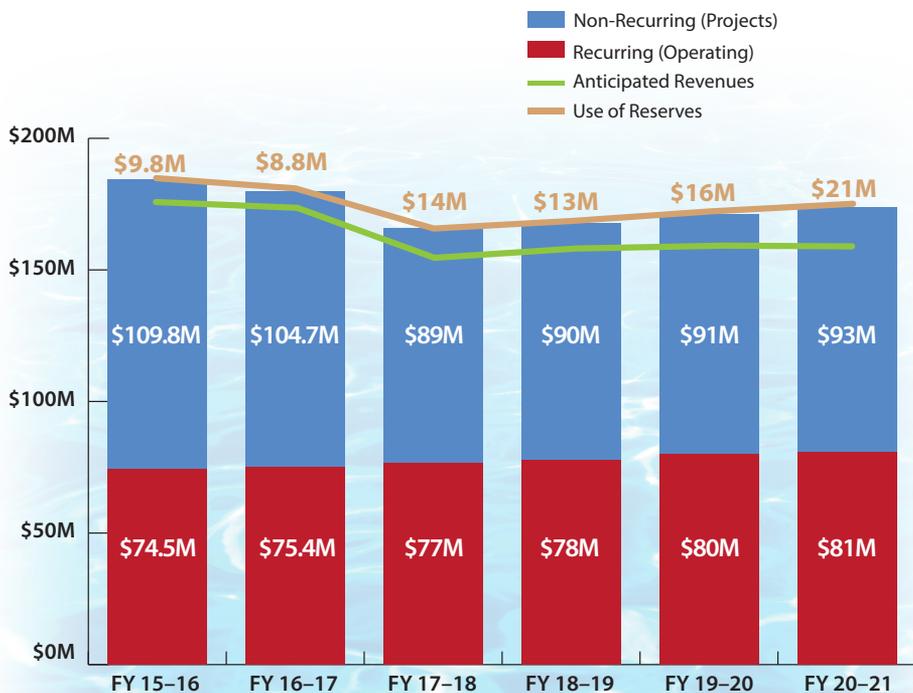
FY2016–17 Budget — Key Highlights

The District's budget for capital, infrastructure and other projects is \$104.7 million, representing 58 percent of total expenditures. The following are examples of project investments for FY2016-17:

- ✓ \$13.3 million for springs protection budgeted by the District leveraged with an additional \$2.8 million from local cooperators for a total investment of \$16.1 million.
- ✓ \$6.9 million for the Facilitating Agricultural Resource Management Systems (FARMS) program to reduce groundwater use and improve water quality impacted by agricultural practices.
- ✓ \$14.1 million for reclaimed water projects to reduce our reliance on groundwater.
- ✓ \$10 million for a single project or multiple projects that, individually or collectively, are capable of providing 30 million gallons per day (mgd) of alternative water supplies constituting a base supply for the Polk Regional Water Cooperative.
- ✓ \$10.4 million for stormwater improvement to reduce flood risk and protect our citizens.
- ✓ \$4.1 million for watershed management planning in cooperation with local partners to assess existing flood risk in flood-prone areas. The District's advanced models also help evaluate alternative practices that can be implemented to reduce flood risk.
- ✓ \$8.3 million for stormwater projects to improve the water quality of Surface Water Improvement and Management (SWIM) priority water bodies such as Kings Bay, Rainbow River and Tampa Bay.
- ✓ \$5.9 million for the restoration of impacted lands to improve water quality and re-establish wetland and upland natural systems.
- ✓ \$19.1 million for land acquisition and support to conserve and protect water and water-related resources.
- ✓ \$2.75 million from the Land Acquisition Trust Fund for land management activities.

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) 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 five years.



How the District is Funded

FY2016–17 Budget

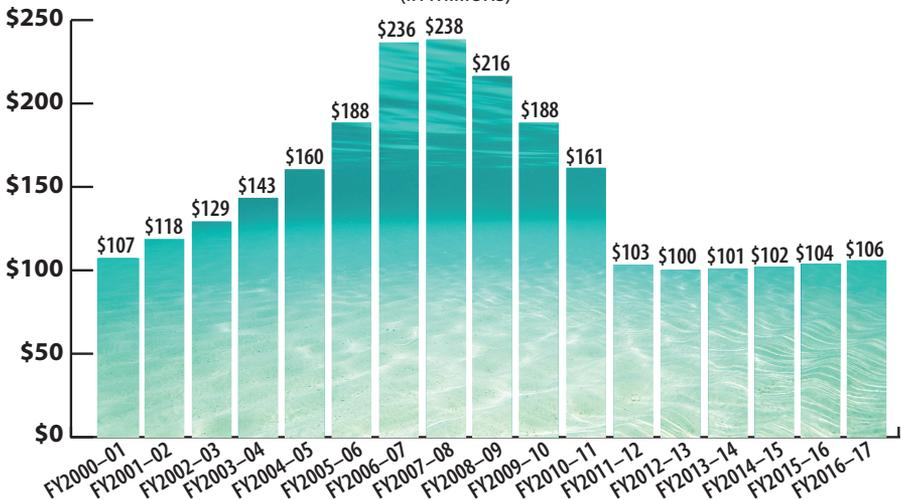
Revenues
(in millions)

Percent of Total

Ad Valorem Taxes	\$106.0	58.8%
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 FY2016-17 is 0.3317 mill, which is the rolled-back rate.		
State/Federal/Local Funding	\$34.4	19.1%
State funding includes \$13.5 million for land acquisition from the Florida Forever Trust Fund; \$10.8 million for Springs Initiatives and CFWI Springs Conservation from the Department of Environmental Protection; \$3.6 million for the Florida Department of Transportation Mitigation program; \$2.75 million for land management from the Florida Land Acquisition Trust Fund; and \$774,455 from other state programs. Federal funding of \$420,000 for Lemon Bay Habitat Restoration provided by the National Oceanic and Atmospheric Administration; and over \$2.5 million from local entities within the District's jurisdiction.		
Other Funding	\$5.8	3.3%
Various funding sources such as interest earnings on investments (\$3.8 million), permit and license fees (\$1.6 million), and miscellaneous revenue (\$546,207).		
Balance from Prior Years	\$25.1	13.9%
Unexpended funds carried forward from the previous fiscal year(s) primarily related to projects completed under budget and project cancellations.		
Reserves	\$8.8	4.9%
Represents restricted basin reserves utilized to fund projects.		
TOTAL REVENUES	\$180.1	100%

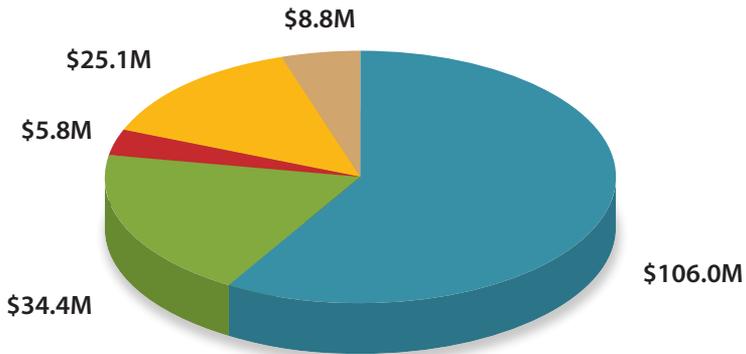
Historical Ad Valorem Tax Revenue

(in millions)

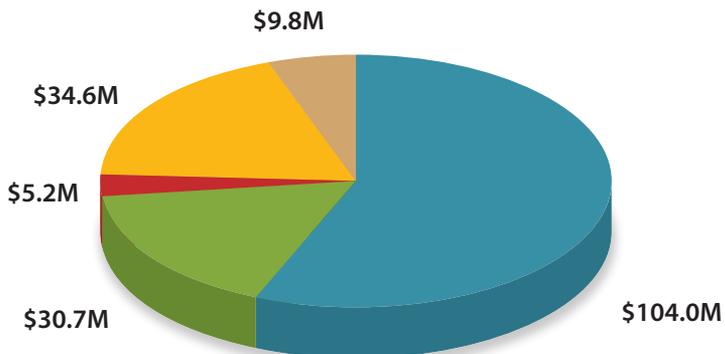


Year-to-Year Comparison

FY2016–17 Adopted Budget — \$180.1 million



FY2015–16 Adopted Budget — \$184.3 million



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

How the District Allocates Resources by Category

FY2016–17 Budget

Expenditures

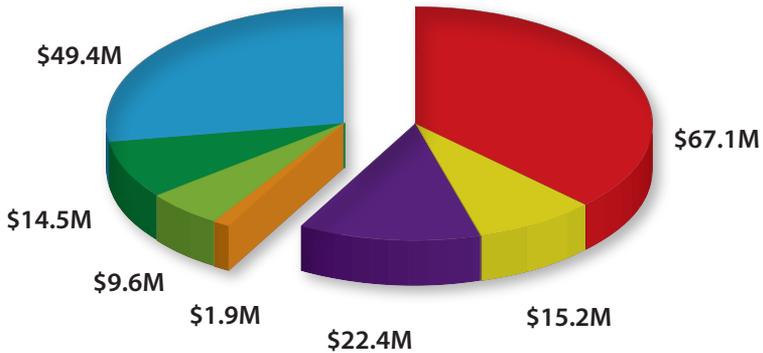
(in millions)

Percent of Total

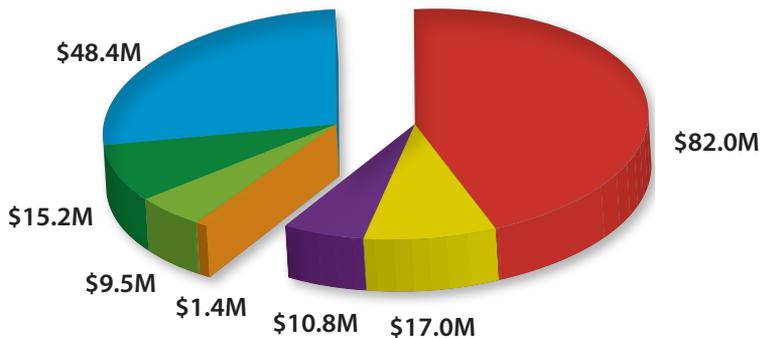
Salaries & Benefits	\$49.4	27.4%
Salaries and benefits for District regular full time equivalent (FTE) positions. The number of FTE positions remains consistent from FY2015-16 to FY2016-17 at 574 FTEs.		
Operating Expenses	\$14.5	8.1%
This includes items such as Property Tax Commissions, Software/Software Maintenance, Parts and Supplies, Utilities, Insurance and Bonds, Fuels and Lubricants, and Telephone/Data Communications. Reduction of more than \$600,000 from FY2015-16 through continued cost reductions where possible.		
Contracted Services for Operational Support & Maintenance	\$9.6	5.3%
Outsourced services in support of the District's operations in areas such as Data Collection, Land Management, Structure Operations & Maintenance, Minimum Flows and Minimum Water Levels Establishment, and Information Technology.		
Operating Capital Outlay	\$1.9	1.1%
Purchases of heavy equipment, vehicles, airboats, computer hardware, 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	\$67.1	37.2%
Matching funds provided through the District Cooperative Funding Initiative 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, provide flood protection and restore natural eco-systems.		
Contracted Services for District Projects	\$15.2	8.5%
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 represent direct investments into the economy.		
Fixed Capital Outlay	\$22.4	12.4%
Funding for land purchases, land easements, water control structures, well construction, buildings and bridges.		
TOTAL EXPENDITURES	\$180.1	100%

Year-to-Year Comparison

FY2016–17 Adopted Budget — \$180.1 million



FY2015–16 Adopted Budget — \$184.3 million



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

FY2016–17 Budget

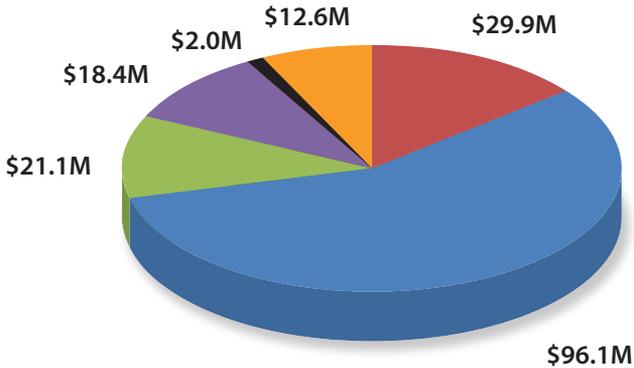
Expenditures
(in millions)

**Percent
of Total**

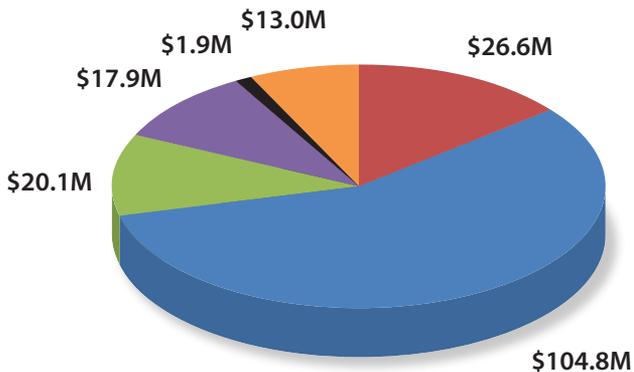
Water Resources Planning and Monitoring	\$29.9	16.6%
All research, data collection, analysis, and monitoring activities (\$16.9 million); water resources planning activities including watershed management planning (\$6.3 million), development of minimum flows and minimum water levels for aquifers, lakes and rivers (\$2.1 million), and water supply planning (\$908,906); 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	\$96.1	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 (\$41.3 million); surface water projects for the restoration of lands and water bodies with water quality, flood protection and natural systems benefits (\$33.8 million); acquisition of land for the protection and management of water resources (\$19.1 million); and other program activities including technology and information services.		
Operation and Maintenance of Lands and Works	\$21.1	11.7%
Management of public conservation lands, restoring their natural conditions, and providing for compatible recreational use (\$6.4 million); operation and maintenance of flood control and water conservation structures, canals and levees (\$6.3 million); operation and maintenance of District facilities (\$3.2 million); management and maintenance of District fleet (\$3 million); and other program activities including technology and information services.		
Regulation	\$18.4	10.2%
All environmental resource/surface water management permitting (\$6.9 million), consumptive use permitting (\$4.4 million), permit administration/enforcement or any delegated regulatory program (\$2.9 million), water well construction permitting and contractor licensing (\$829,815); and other program activities including technology and information services..		
Outreach	\$2.0	1.1%
All water resources education initiatives including public information activities (\$903,668); springs protection campaigns and water conservation programs for builders and the hospitality industry (\$833,886); all lobbying activities relating to regional, state and federal governmental affairs (\$92,144); and other program activities including technology and information services.		
District Management and Administration	\$12.6	7.0%
All administrative and operations support (\$9.1 million or 5%), and commissions to county tax collectors and property appraisers (\$3.5 million or 2%).		
TOTAL EXPENDITURES	\$180.1	100%

Year-to-Year Comparison

FY2016–17 Adopted Budget — \$180.1 million



FY2015–16 Adopted Budget — \$184.3 million



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